

Commission d'enquête sur le déclin des populations de saumon rouge du fleuve Fraser

Public Hearings

Audience publique

Commissioner

L'Honorable juge /
The Honourable Justice
Bruce Cohen

Commissaire

Held at: Tenue à :

Room 801 Federal Courthouse 701 West Georgia Street Vancouver, B.C.

Wednesday, August 31, 2011

Salle 801 Cour fédérale 701, rue West Georgia Vancouver (C.-B.)

le mercredi 31 août 2011



Commission d'enquête sur le déclin des populations de saumon rouge du fleuve Fraser

Errata for the Transcript of Hearings on August 31, 2011

Page	Line	Error	Correction
85	4	6590 percent of the time	60 percent of time
21	42	veterinarian	veterinary
22	40	No indication of a question	Page 22, line 40:
to 23	to 4	being asked by Mr. Martland	Q
53	47	preliminary chain reaction	polymerase chain reaction
54	11-12	viral virus	virovirus
65	16	in stead	instead
87	3	say	saw

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Jonah Spiegelman

Clifton Prowse, Q.C. Province of British Columbia ("BCPROV")
Tara Callan

No appearance Pacific Salmon Commission ("PSC")

No appearance B.C. Public Service Alliance of Canada

Union of Environment Workers B.C.

("BCPSAC")

No appearance Rio Tinto Alcan Inc. ("RTAI")

Alan Blair B.C. Salmon Farmers Association

Shane Hopkins-Utter ("BCSFA")

No appearance Seafood Producers Association of B.C.

("SPABC")

Gregory McDade, Q.C. Aquaculture Coalition: Alexandra

Morton; Raincoast Research Society; Pacific Coast Wild Salmon Society

("AQUA")

Tim Leadem, Q.C. Conservation Coalition: Coastal Alliance

Judah Harrison for Aquaculture Reform Fraser

Riverkeeper Society; Georgia Strait Alliance; Raincoast Conservation Foundation; Watershed Watch Salmon Society; Mr. Otto Langer; David Suzuki

Foundation ("CONSERV")

Katrina Pacey Area D Salmon Gillnet Association; Area

B Harvest Committee (Seine) ("GILLFSC")

APPEARANCES / COMPARUTIONS, cont'd.

No appearance Southern Area E Gillnetters Assn.

B.C. Fisheries Survival Coalition ("SGAHC")

No appearance West Coast Trollers Area G Association;

United Fishermen and Allied Workers'

Union ("TWCTUFA")

No appearance B.C. Wildlife Federation; B.C. Federation

of Drift Fishers ("WFFDF")

No appearance Maa-nulth Treaty Society; Tsawwassen

First Nation; Musqueam First Nation

("MTM")

No appearance Western Central Coast Salish First

Nations:

Cowichan Tribes and Chemainus First

Nation

Hwlitsum First Nation and Penelakut Tribe Te'mexw Treaty Association ("WCCSFN")

Brenda Gaertner

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Fisheries Council; Aboriginal Caucus of the Fraser River; Aboriginal Fisheries Secretariat; Fraser Valley Aboriginal Fisheries Society; Northern Shuswap Tribal

Council; Chehalis Indian Band;

First Nations Coalition: First Nations

Secwepemc Fisheries Commission of the Shuswap Nation Tribal Council; Upper Fraser Fisheries Conservation Alliance; Other Douglas Treaty First Nations who applied together (the Snuneymuxw, Tsartlip and Tsawout); Adams Lake Indian Band; Carrier Sekani Tribal

Council; Council of Haida Nation ("FNC")

No appearance Métis Nation British Columbia ("MNBC")

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the Fraser River; Aboriginal Fisheries
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Fisheries Society; Northern Shuswap Tribal

Council; Chehalis Indian Band;

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Council; Council of Haida Nation ("FNC")

No appearance Métis Nation British Columbia ("MNBC")

APPEARANCES / COMPARUTIONS, cont'd.

No appearance Sto:lo Tribal Council

Cheam Indian Band ("STCCIB")

Steven Kelliher Laich-kwil-tach Treaty Society

Chief Harold Sewid, Aboriginal Aquaculture Association ("LJHAH")

Krista Robertson Musgamagw Tsawataineuk Tribal

Council ("MTTC")

No appearance Heiltsuk Tribal Council ("HTC")

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1 Vancouver, B.C. /Vancouver 2 (C.-B.) 3 August 31, 2011/le 31 août 4 2011 5 6 THE REGISTRAR: The hearing is now resumed. 7 MR. MARTLAND: Mr. Commissioner, we are convening early 8 today to provide an additional 15 minutes for Ms. 9 Gaertner, given the request she made yesterday. 10 So we have the two returning panel members from 11 regulatory panel number 1. I'll also advise that Ms. Gaertner very helpfully has organized a series 12 13 of exhibits, proposed exhibits that she's looking 14 to enter via this panel. She's, I understand, 15 reviewed that with other counsel here. understand there to be any objection so that may 16 17 happen fairly quickly in the absence of objection, 18 given agreement by counsel in the room. 19 you. 20 THE COMMISSIONER: Thank you, Mr. Martland. 21 Gaertner? 22 2.3 TREVOR SWERDFAGER, recalled. 24 25 ANDREW THOMSON, recalled. 26 27 MS. GAERTNER: Thank you, Mr. Commissioner. For the 28 record, Brenda Gaertner, and with me, Leah Pence, 29 for the First Nations Fish Coalition. 30 numerous documents that I've provided and I'm 31 going to run through very quickly. The first two 32 are the First Nations Summit Resolutions that are 33 the companion resolutions to the Union of B.C. 34 Indian Chiefs Resolutions of 2009, and I proposed 35 that they be marked Exhibit 1647 and 1648. 36 THE REGISTRAR: So marked. 37 EXHIBIT 1647: First Nations Summit, 38 39 Resolution #0909.06, B.C. First Nations' 40 Statement of Jurisdiction on Aquaculture 41 42 EXHIBIT 1648: First Nations Summit, 43 Resolution #0909.07, B.C. First Nations' 44 Statement of Solidarity on Aquaculture 45 MS. GAERTNER: 46 The next two documents at First Nations

Coalitions Tabs 3 and 4. These are DFO meeting

notes that were held on June 16th, 2009 and June 17th, 2009. These are meetings that were hosted 3 by the First Nations Fisheries Council at which First Nations and DFO, including Mr. Swerdfager 5 and Mr. Thomson were present. I propose that they 6 be marked 1649 and 1650. 7 THE REGISTRAR: So marked. 8 9 EXHIBIT 1649: Meeting Notes, B.C. First 10 Nations/DFO Aquaculture Management, June 16, 11 2009 12 13 EXHIBIT 1650: Meeting Notes, B.C. First 14 Nations/DFO Aquaculture Management, June 17, 15 2009 16 17 CROSS-EXAMINATION BY MS. GAERTNER, continuing: 18 Mr. Thomson? 19 20 MR. THOMSON: I'm sorry, those two meetings were not 21 hosted by the First Nations Fisheries Council. 22 I'm sorry, who were they hosted by? 23 MR. THOMSON: DFO. MS. GAERTNER: All right. 24 Thank you for that 25 clarification. Moving next to Tab 10, which is 26 the First Nations Fisheries Council Analysis of 27 the Strategic Questions posed by Department of 28 Fisheries and Oceans for the Development of the 29 Regulatory Framework, dated January 2010, and I 30 propose that that be marked 1651. 31 THE REGISTRAR: So marked. 32 33 EXHIBIT 1651: Analysis of "Strategic 34 Questions" posed by Fisheries and Oceans 35 Canada for the Development of a Regulatory 36 Framework for B.C. Aquaculture, January 2010 37 38 MS. GAERTNER: Moving next to First Nations Tab 11, 39 which is a report done for the First Nations 40 Fisheries Council by Diane Urban called 41 "Aquaculture Policy and Past Inquiry 42 Recommendations on B.C. First Nations Title and 43 Rights, Report to First Nations Fisheries Council," Exhibit 1652. 44 45 THE REGISTRAR: So marked. 46 47 EXHIBIT 1652: Aquaculture Policy and Past

Inquiry Recommendations on B.C. First Nations 1 2 Title and Rights, Report to First Nations Fisheries Council from Diane Urban 3 4 5 Moving next to Tab 21 of the First MS. GAERTNER: 6 Nations Coalition, the briefing notes from the 7 First Nations Fisheries Council that was provided 8 to the B.C. First Nations communities, providing 9 comments on the draft B.C. Aquaculture 10 Regulations, dated July 12th, 2010. I propose 11 that it be marked 1653. 12 THE REGISTRAR: So marked. 13 14 EXHIBIT 1653: Briefing Note, July 12, 2010, 15 Comments on Draft B.C. Aquaculture 16 Regulations 17 18 A letter from Sechelt Indian Band dated MS. GAERTNER: 19 August 24th, 2010, regarding the proposed regulations. That letter is found on the First 20 21 Nations Fisheries Council's public website. 22 I'll just pause for a moment and ask the witnesses 23 this question. This is a letter that was done in 24 August 2010. You'll agree it's an example of a 25 number of letters that the Department received 26 around that time from individual First Nations as 27 distinct from the letters that were received from 28 either the Summit, the Union, or the First Nations 29 Coalition; is that correct? It's an example of a 30 type of letter that was received by the 31 Department? 32 MR. SWERDFAGER: Yes, I think that it is exemplary of I 33 don't know exactly how many, but I'd say we got 34 quite a few of a very similar nature. 35 MS. GAERTNER: Thank you. And I propose that that be 36 marked 1654. 37 THE REGISTRAR: So marked. 38 39 EXHIBIT 1654: Response to Proposed 40 Regulations regarding B.C. Aquaculture,

MS. GAERTNER: Moving to Tab 29, which is an email from the First Nations Fisheries Council to Deputy Minister Claire Dansereau dated August 27th, 2010, providing concerns related to the Pacific Aquaculture Regulations and the need for improved

August 24, 2010

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collaborations, and I note that those emails were cc'd to both Mr. Thomson and Mr. Swerdfager. Can 3 we have that marked as 1655? THE REGISTRAR: So marked. 5 6 7 EXHIBIT 1655: Email dated August 27, 2010 8 from Brenda McCorquodale to Claire Dansereau, 9 re Concerns related to Pacific Aquaculture 10 and the need for improved collaboration with 11 B.C. First Nations Greetings Deputy 12 13 MS. GAERTNER: And the next is a letter from Chief 14 Claxton of the First Nations Fisheries Council to 15 Trevor Swerdfager, dated August 27th, 2010, regarding the draft Pacific Aquaculture 16 17 Regulations and the 60-day consultation period, 18 and I note that that's a 10-page letter. May I have that marked as 1656? 19 20 THE REGISTRAR: So marked. 21 22 EXHIBIT 1656: First Nations Fisheries Council letter to Trevor Swerdfager re Draft 23 24 Pacific Aquaculture Regulations and B.C. 25 First Nations engagement in the development 26 of an Aquaculture Management Framework for 27 the Pacific 28 29 MS. GAERTNER: First Nations Fisheries Council, 30 Perspectives on a Management Framework for 31 Aquaculture in British Columbia, dated April 20, 32 2011, Tab 45 of our documents, I propose that that 33 be marked 1657. 34 THE REGISTRAR: That's Tab 45? You skipped 42. 35 MS. GAERTNER: We're not doing 42. THE REGISTRAR: You're not doing 42? Thank you. 36 37 MS. GAERTNER: Tab 45, sorry. THE REGISTRAR: That's 1657. 38 39 MS. GAERTNER: Tab 42 is already an exhibit. 40 41 EXHIBIT 1657: First Nations Perspectives on 42 a Management Framework for Aquaculture in 43 British Columbia 44 45 MS. GAERTNER: And finally, Commission Tab number 7, 46 which is the B.C. Aquaculture Licensing Approach,

something called Special Notes.

- 1 Q I'm wondering if one of you could advise us what
 2 that document is, when it was produced and by
 3 whom?
 4 MR. THOMSON: Can the document be scrolled down?
 5 MR. SWERDFAGER: Can you just scroll down a little bit?
 - MR. THOMSON: Can you just scroll down? Is it that?

 Q It's my understanding that this accompanied the draft suite of policies. Does that help either of
 - MR. SWERDFAGER: Not me.

you?

- MR. THOMSON: No. There are certainly aspects of it that are similar to documents I've seen, but I couldn't say for certain that I've seen this document.
- MS. GAERTNER: Could we have that marked for identification at this point in time?
- MR. MARTLAND: Indeed, it is referred to in our Policy and Practice Report, it's referenced there. I don't see an issue with it. In the absence of objection, I appreciate it's a little artificial, but that nonetheless, it could be marked as an exhibit proper, unless there is an objection?
- MR. TAYLOR: I don't have an objection, it's just going in as a bare document. The witnesses don't know what it is, but it's not a particularly surprising content.
- MS. GAERTNER: It's a document created by the Department of Fisheries and Oceans.
- THE REGISTRAR: That will be marked as 1658.
- MS. GAERTNER: Thank you.

EXHIBIT 1658: B.C. Aquaculture Licensing Approach, Special Notes

MS. GAERTNER:

- Q I'll turn now to the substantive questions that I'm going to try to get with you in this very short period of time.
- MS. GAERTNER: But before I do, I must note on the record, Commissioner, that Grand Chief Stewart Phillip is here today, and also Jordan Point, who is the Executive Director for the First Nations Fisheries Council.
- Q Would you agree with me that the work of the First Nations Fisheries Council, first, in obtaining the mandates from both the UBCIC and the Summit to meet with DFO officials on strategic issues and

concerns regarding the transfer of primary 1 regulatory authority of the Department of 3 Fisheries and Oceans, and in providing information and hosting meetings with the First Nations around 5 the province and gathering, theoretically, the 6 concerns have been useful for the Department of 7 Fisheries and Oceans? 8 MR. THOMSON: Yes. 9 And would you agree that this work needs to 10 continue? 11 MR. THOMSON: I agree that we need to continue working 12 with the First Nations Fisheries Council on 13 aquaculture issues, yes. 14 And you'll agree with me that as early as June 15 16th and 17th, 2009, at meetings that both of you attended, that DFO was put on notice that First 16 17 Nations had concerns regarding such things as the 18 protection of wild fish stocks as it relates to the siting of farms? 19 20 MR. THOMSON: Yes. 21 That First Nations needs to be consulted about all 22 decisions regarding fish farms in their 23 territories? 24 MR. THOMSON: Yes. 25 They were concerned with how enforcement of fish 26 farms would be carried out? 27 MR. THOMSON: Yes. 28 They raised concerns as to whether farms can or 29 will be moved upland or inland and contained? 30 MR. THOMSON: I honestly don't remember that particular 31 point. 32 If that was in your minutes that I've tabled, 33 would you agree with that? 34 MR. THOMSON: Okay. I would agree if it's in the 35 minutes, yes. 36 And that First Nations believe that they've been 37 involved too late in the process? MR. THOMSON: Again, if it's in the minutes, I would 38 39 agree with it. I don't remember that particular 40 concern at that particular meeting. 41 That they raised concerns about how First Nations 42 roles would be dealt with in the management of

That they should have been consulted before first

fish farms were ever entered into the water?

MR. THOMSON: I've certainly heard that concern in many

MR. THOMSON:

fish farms?

Yes.

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1 meetings. 2 They asked questions of how you'd be responsive to 3 new science as you looked at the siting of these 4 farms? 5 MR. THOMSON: Yes. 6 And they asked questions on how the Pacific 7 Aquaculture Regulations would work with the Wild 8 Salmon Policy? 9 MR. THOMSON: Yes. 10 And can you confirm for the Commissioner that as 11 early as 2009, First Nations advised DFO that they saw the transfer of regulatory jurisdiction to Canada as an opportunity, both legally and 12 13 14 otherwise for their substantive concerns regarding 15 potential impacts and infringements to their s. 35 16 rights to be substantially considered and 17 addressed by the Crown? 18 MR. THOMSON: Do you want to take it? 19 MR. SWERDFAGER: I think that certainly, I would agree 20 that some First Nations made that point to us. 21 Others did not. And some of the materials and the 22 opinions that were conveyed to us dealt with those 23 topics, others focussed more specifically on 24 aquaculture. 25 MS. GAERTNER: And if I could turn now to Exhibit 1240, 26 and I want to turn to page 8 of that exhibit? 27 That's the listing, that's the report that the 2.8 First Nations Fisheries Council did summarizing 29 the meetings that were held in 2010. 30 familiar with that report. And I want to go to 31 page 8 of that, where there's a listing of 32 concerns and for the purposes of the 33 Commissioner's terms of reference, ask you what 34 specific and independent steps have you taken on 35 behalf of the Department of Fisheries and Oceans 36 to substantially consider and address items number 37 2 and number 6? Number 2 is the need to conserve 38 wild stocks and their habitats vis-à-vis the 39 proposed Federal Aquaculture Regulations, and 40 number 6 is the need to base management decisions 41 on science and comprehensive environmental 42 assessment. What specific and independent steps 43 have you taken since these concerns have been

MR. SWERDFAGER: If you go back up to number 2, please?

So conservation and restoration of wild stocks and

their habitats, and the kinds of things that are

raised with you?

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listed there in the description, I think it would take us a very, very long time to identify all of the things that DFO has done and is doing with respect to that item.

Certainly, in terms, if you're posing the question specifically related to the Pacific Aquaculture Regulations, we have structured them in a way that we feel allows us to address all of those sub-bullets in the Description column, there. And when you look at some of the far-field indicators, et cetera, that are in the sub-themes, I'm not sure just what that means, but I think the regulation is very much structured that way.

If you're looking for an itemization of all of the activities that the Department of Fisheries and Oceans does to "conserve and restore wild stocks," I think that would take us a very long time, and I think a lot of evidence has probably been introduced on that already.

The sixth point, which I recall is -- if, again, you could scroll down, Mr. Lunn -- with respect to basing management on science and comprehensive environmental assessment tools and broadening the scope as I indicated in there, certainly, the decision making processes that we've got in place in design of the regulation and in terms of its administration, in our view, at least, will quite comprehensively cover those points.

- Q To your knowledge, has there been a comprehensive study completed, or initiated since 2009 to address the concerns First Nations have raised with the Department of Fisheries and Oceans regarding the size, location and number of the existing finfish farms along the migratory route of the Fraser River sockeye salmon, including cumulative impacts?
- MR. SWERDFAGER: A separate study? No, we haven't conducted a separate study described as you have just now.
- Q Would you agree that a comprehensive study aimed to do that which had terms of reference agreed upon by the First Nations and the Department of Fisheries, and ideally agreed to with the support of other stakeholders, would be a useful step in addressing this concern?
- MR. SWERDFAGER: I think that the idea of conducting

some kind of overall study may have some merit. It's not something I would want us to agree to on the spot, so to speak, because it depends on what would be involved in it. I do think that a large part of our integrated managements plans will address many of those issues. That's why they're being structured and designed in the way they are. I think, at this point, the need is most urgent to get on with managing and guiding the sector overall as opposed to studying more. And I do think, as well, we will have the benefit of the outcome of this inquiry to guide us in much of our decision making and activity so that a further comprehensive study of the nature you're describing may not be necessary.

- Q Or if based on the concomitant of all of the information that the Commissioner has that such a study would be useful, it would be welcomed by the Department, including you?
- MR. SWERDFAGER: I think that if we got to the point where we had the work of the Inquiry before us, and so on, and we felt that another study of the nature you're describing is necessary and beneficial, certainly, the Department would look at it.
- I have only three minutes left, and I have to turn to the decision to grandfather these licenses. I would like to turn to Exhibit 1244 and 1238. These are two letters, one from the First Nations Summit, and the other from the Leadership Council. They're dated in July. You're familiar with these letters? It's two letters to the Minister Shea.
- MR. THOMSON: We're both trying to follow the document fairly quickly, there.
- O Shea. Yes.

- MR. THOMSON: Minister Shea. And I'm familiar with both of those letters.
- Q And you'll agree with me that those letters raised very strong concerns that DFO's plans to rollover the existing licenses without adequate consultation would not meet your legal obligations?
- MR. THOMSON: I would need an opportunity to read them all in detail again. My understanding at this point in the process is that the letters, for the most part, were focussed on the consultation process around the regulation, itself, as opposed

to any site specific decisions. Now, perhaps 1 further down in the text, but it does maybe talk 3 about site specific issues, but if you look at the 4 one, for example, that's on the left now --5 Could I just take you to page 2 of Exhibit 1238, 6 at the top of the page --7 MR. THOMSON: Yeah. 8 -- where it says: 9 10 We also understand that DFO plans to rollover 11 existing aquaculture licenses without any 12 consultation with First Nations. These 13 licenses were issued pursuant to a regulatory 14 regime which the courts have determined is 15 unconstitutional. A jurisdiction rollover 16 without consultation --17 18 MR. THOMSON: Yeah. 19 20 -- accommodation of the infringement caused 21 by these licenses would be unconstitutional. 22 23 MR. THOMSON: Yeah, so I see that now that you've 24 pointed it out and obviously, yes, it does raise 25 that --26 Could you tell me who made the --27 MR. THOMSON: -- the main focus was, of course, the 2.8 regulations, and that's the timeframe that we were 29 in at that point, if you recall? 30 Could you tell me who in DFO made the decision to 31 approach these licenses by way of grandfathering 32 or rollover? 33 MR. THOMSON: I think that the decision in the 34 Department was to issue licenses to people who 35 held them already. 36 Who made that decision? 37 MR. THOMSON: And the approach was taken not so much to just simply grandfather and roll them over. 38 39 I'm sorry, I'm asking the question who made the 40 decision? 41 MR. THOMSON: Yeah. I think the Department's decision

on these issues would have been made by our Deputy

Minister, with advice from people within the

And were there briefing notes that were made?

MR. THOMSON: I hadn't quite finished my previous

Department.

answer, sorry.

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- Q Were there briefing notes made to the Deputy Minister on this?
- MR. THOMSON: I wonder if maybe I could just finish, if I may, the previous one? When we had our Deputy Minister briefed up fully with respect to the decision to issue licenses, I would have to go back and check to see where and when in that process we may have briefed our Minister, as well, because the licenses, of course, are issued on her behalf, so to speak. And so I wouldn't want to leave you with the impression that we left our Minister out of the process, so to speak, but I can't say to you she was briefed specifically on that issue at that time, so to speak.
- MS. GAERTNER: Mr. Commissioner, none of the documents that the Commission counsel put before you or the Crown contained any of this history and I'm asking that these briefing notes and the history associated with this decision be made available to you for your review and be presented.
- MR. MARTLAND: And with respect to that request, certainly, we'll follow up with Ms. Gaertner, with Canada, and we'll address the request that's been made.
- MS. GAERTNER: I understand I've used up my time this morning, Mr. Commissioner. I will be continuing with these witnesses to see if we can get the full story of all these issues as the days go on. Thank you, gentleman.
- MR. MARTLAND: Mr. Commissioner, that was productive in terms of leading exhibits and evidence, but also in terms of inspiring counsel for Canada to have some questions on re-examination, I understand. I'm hoping that will be very quick, as well.
- MR. TAYLOR: I'll be quick. Three interrelated questions, all related to the documents that Ms. Gaertner put in just now as exhibits, which I appreciate flash by quite quickly, but I think you gentlemen are familiar with the drift.

CROSS-EXAMINATION BY MR. TAYLOR, continuing:

Q My three interrelated questions, picking up on the correspondence where First Nations or First Nations organizations are raising concerns or seeking more consultation about the change of regime from the Province to the Federal Government

and the regulations or regulatory process being 1 put in place. Was there follow-up discussion or 3 correspondence from DFO to the correspondence 4 she's just put in? Is that discussion or 5 correspondence ongoing, and is some of anything 6 you might answer part of what you were speaking 7 about yesterday? 8 MR. SWERDFAGER: The correspondence was replied to, is 9 the answer to the first one. Some of the dialogue 10 between ourselves and First Nations is ongoing for 11 And the third question, again, Mr. Taylor, 12 was? 13 Just whether what you've just said and what Ms. 14 Gaertner was putting in earlier is related or part 15 and parcel of some of the things that were being 16 said earlier yesterday? 17 MR. SWERDFAGER: Absolutely, yeah. 18 I think Mr. Thomson, mainly. 19 MR. SWERDFAGER: Yeah. Yeah. MR. TAYLOR: All right. Thank you. Ms. Gaertner chose 20 21 not to put any response material into the 22 overtures that the First Nations were putting 23 forward, Mr. Commissioner. I'll take that up with 24 Mr. Martland and see what more we might have and 25 how we might deal with that. 26 THE COMMISSIONER: Thank you very much, Mr. Taylor. 27 MR. MARTLAND: Mr. Commissioner, that, I believe, 28 concludes the evidence from regulatory panel 29 number 1. What we propose to do, rather than 30 standing down and losing time, if it's agreeable, 31 would be simply to have Mr. Thomson excused. He 32 returns on a separate panel tomorrow. Mr. 33 Swerdfager would remain in place and be joined by 34 three further witnesses, all of whom are present 35 and ready to go. 36 THE COMMISSIONER: Yes, certainly, that's fine. 37 MR. MARTLAND: Thank you. So I will ask the additional 38 witnesses for this panel, Drs. Marty, Sheppard and 39 McKenzie to please come forward. We've explained

TREVOR SWERDFAGER, reminded.

THE REGISTRAR: The remaining three, I'll read your affirmation.

I'll ask they please be affirmed.

to them the logistics. The binders are in front

of them, and once they are there, Mr. Registrar,

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PANEL NO. 59
In chief on qualifications by Mr. Martland

1 MARK SHEPPARD, affirmed. 2 3 PETER McKENZIE, affirmed. 4 5 GARY MARTY, affirmed. 6 7 Thank you. Counsel? THE REGISTRAR: 8 MR. MARTLAND: Thank you. And what I'll do at the 9 outset is move through the background of these 10 witnesses. I'll try to do this in the most 11 expeditious manner, but inviting my learned 12 friends to identify a concern if they have one. 13 Rather than my long-winded greeting in of 14 biography or background about the witnesses, I'd 15 like to rely on the CVs and the information set out there. 16 17 First of all, for three of these witnesses, 18 Mr. Commissioner, I'll be asking to have them 19 qualified as experts. Mr. Swerdfager's the 20 exception to that. His CV is Exhibit 1578. 21 don't propose to review his background now. 22 23 EXAMINATION IN CHIEF ON QUALIFICATIONS BY MR. MARTLAND: 24 25 Dr. Marty, sir, if I might turn to you, please. 26 MR. MARTLAND: And Mr. Lunn, if you could bring on screen number 1, please, from Commission's list of 27 28 documents? 29 Do you recognize that, sir, as being your CV? 30 DR. MARTY: Yes. 31 MR. MARTLAND: If this might be the next exhibit, 32 please? 33 THE REGISTRAR: 1659. 34 35 EXHIBIT 1659: Curriculum vitae of Gary Marty 36 37 MR. MARTLAND: And without reviewing the information 38 contained therein, but relying on what it says, 39 I'm proposing to have this witness qualified as an 40 expert in fish toxicology and fish pathology, with 41 a specialty in veterinary pathology. And I don't 42 see anyone rising to object. 43 THE COMMISSIONER: Very well, thank you. 44 MR. MARTLAND: Number 3 on our list of documents, I 45 hope will be Dr. Sheppard's CV.

Dr. Sheppard, sir, do you recognize that as being

your *CV*?

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PANEL NO. 59
In chief on qualifications by Mr. Martland
In chief by Mr. Martland

1 DR. SHEPPARD: I do.

MR. MARTLAND: If this might be Exhibit 1660, please.

THE REGISTRAR: So marked.

EXHIBIT 1660: Curriculum vitae of Mark Sheppard

MR. MARTLAND: Again, relying on the information contained in that document, I'll ask that this witness -- and I can advise further, Mr. Commissioner, Commission counsel have circulated witness summaries that summarize the expertise and communicate that to participants in addition to the CVs. I don't propose to put those in, but that information has been communicated.

On the basis of this witness's background, I ask to have him qualified as an expert in veterinary medicine, with experience in fish health. Again, seeing no objection, I'll ask to have that qualification made, please.

THE COMMISSIONER: Thank you.

MR. MARTLAND: Mr. Commissioner, number 2 on Commission Counsel's list of documents is Dr. McKenzie's CV, I expect.

Q Dr. McKenzie, is that correct?

DR. McKENZIE: Yes.

MR. MARTLAND: If this might be Exhibit 1661, please?

THE REGISTRAR: So marked.

EXHIBIT 1661: Curriculum vitae of Peter McKenzie

MR. MARTLAND: On a similar footing, I'll ask to have this witness qualified as an expert in veterinary medicine, with experience in fish health.

THE COMMISSIONER: Thank you

EXAMINATION IN CHIEF BY MR. MARTLAND:

At the outset, panel members, and this is directed to the three veterinarians on the panel, we began hearings last week, some of you may be aware, on the topic of disease. We heard from witnesses such as Michael Kent and Stewart Johnson, and I neglected to ask some fairly obvious first questions. Perhaps I'll take the opportunity to do that in a quick way, if I might ask one of you

- to help us in understanding some terminology. One question is the meaning of pathogen as opposed to disease, and pathogen as opposed to infectious pathogen, if there is a distinction. I don't have a preference as among the witnesses. Maybe we'll take turns. Dr. Marty?
- DR. MARTY: There are many microorganisms that can infect fish and so that's one level of association with microorganisms, they're just present. The next thing is the microorganism, in some cases, may cause problems in the fish, and in that case, it would be called a pathogen. Now, you had one other question, I think?
- Q Infectious pathogen, is "infectious" necessarily part of pathogen, or there are non-infectious pathogens?
- DR. MARTY: I think all pathogens would be considered infectious in some regard. There may be intermediate hosts that make the interaction more complex. There is also a difference between disease and not disease. Disease is a broader category. It includes pathogens, but it also could include things like exposure to toxins, and I think Dr. Rensel addressed that in a previous panel.
- With respect to the term, "disease agent," I'll try and be fair in peppering you with these questions, Dr. McKenzie, what does that term refer to, "disease agent"?
- DR. McKENZIE: Disease agent. So just to add on to what Dr. Marty said, disease can be other things, other than infectious pathogens. So disease should not be included only as a microorganism causing a heart disease that's not caused by a microorganism. So there is another level of that. So when you're referring to a disease -- or what was the terminology, sorry, again?
- Q Disease agent.
- DR. McKENZIE: Disease agent. So in that case, when there's a specifically defined disease and negative impact on the host, the pathogen that is associated with causing that disease would be the disease agent. And again, it could be a toxin, as Dr. Marty said.
- Q Dr. Sheppard, but you're welcome to defer to a colleague, if you'd like, they may owe you one if you do that, "viral particle" was the next term

that we've heard described, and I don't know that 1 it's perfectly clear what that refers to. 3 DR. SHEPPARD: A viral particle can't really be described as a living entity, it can't replicate 5 on its own, Commissioner. It's essential that it 6 invades a host and makes use of the host's 7 metabolic cellular activity. The viral particle, 8 itself, is an accumulation of DNA or an RNA 9 genetic material, and then it uses the host animal 10 and its cells to replicate. 11 My last few terms, indeed, will take me into my 12 next few questions, which look to have a brief 13 understanding of the work that each of you in 14 relation to fish farms. And by fish farms, I'm 15 thinking of finfish aquaculture facilities on the coast of this province for today's purposes. 16 17 the terminology question, Dr. Marty, I'll ask of The terms, "necropsy" and "histopathology" 18 19 are familiar ones in your world, but they may not 20 be familiar for folks in the room. Could you help 21 us understand what they refer to, please? 22 DR. MARTY: The term, "necropsy," is a broad term that's used for examination of the dead. It's a 23 24 broad term if you're looking at any animal, 25 essentially. If you're doing a necropsy on a 26 human, it's called an autopsy, "auto," looking at 27 yourself. So an autopsy is a subset of a 28 necropsy. And your second question? 29 And the necropsy work you would do in connection 30 with fish we'll come to in a moment, but I take it 31 that involves, obviously, examining a dead fish? 32 DR. MARTY: Correct. "Histopathology" was the second term. 33 34 DR. MARTY: Histopathology. The broad term, 35 "pathology," is the study of disease, just the 36 study of disease. Histopathology is the study of 37 disease at the cellular level. And the key 38 specialty that I have that would separate out me 39 from, say, the other veterinarians here is that my 40 ability to look at a section of tissue under the 41 microscope and come up with a diagnosis and then 42 write my report. They're trained to read my 43 report and interpret it with their clinical and 44 other findings, but I'm the one who's trained to 45 actually look at the slide, itself, and render a 46 diagnosis. 47 With respect to the work that each of you does, Q

first of all, if I can start at the farm level, Dr. McKenzie, with you, sir, if you could help us in a quick way to understand the day-to-day work that you do, and I should perhaps briefly pause just to make it perfectly clear that by way of your background, you are one of the veterinarians or a veterinarian for Mainstream, one of the fish farm operators on the coast. What do you do in your work, what responsibilities do you have in your job, please?

DR. McKENZIE: So as a veterinarian, I have a broad range of training, as do we all, in both the areas, in animal health, but also in food safety and food quality. And so my role in the company can be quite broad and is quite broad in looking at everything from egg to plate, as we say.

So aside from my role, I won't discuss any further the role in food safety and those aspects, but as far as fish health is concerned, my role is to manage all areas of fish health within the company. This starts off with our genetics program, how we monitor disease in our brood fish, how we maintain the eggs in the juvenile fish that we produce are in top physical health. I also monitor and control and manage disease throughout the production cycle, both on the freshwater, saltwater side, to ensure that any disease or concern that we're having is being managed.

Now, this is done fundamentally through the process, through one document, which is the Fish The Fish Health Health Management Plan. Management Plan is sort of the Bible for our production system in the sense that it lays out all the factors within our production cycle. Every activity that we undertake, we consider fish health and welfare. So our fish health management plans dictate how we do business to ensure that our fish are kept in optimum fish health. it's my role to ensure that, one, that document is as accurate as it could be, two, that it's updated as science and our understanding of disease and concerns evolve, and three, to ensure that it's implemented at its full length.

On top, as a strictly pure veterinarian, my role, again, is to manage disease. So I do a lot of analysis on disease, monitoring disease on all our farms and hatcheries, looking for changes,

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looking for trends, looking for identifications or deviations from what I consider the normal, normal fish health. And as a result, then, I would conduct the investigations into any deviations from normal and from that, draw conclusions. would rely on people such as Dr. Marty to provide me information in order to better understand my knowledge of what's going on in our farms, and I would add that to my clinical experience, which is how the fish are behaving, how the fish are performing, what I'm seeing grossly during a necropsy and other tests that we may take in house, other laboratories, other steps. History, I also have background in history, which Gary Marty, Dr. Marty, wouldn't always have. where those fish came from, any issues they've had all along the path. So it's my job to sort of keep that all into perspective and then ensure that it's being applied into our production scheme.

- You made a reference to "our fish," and you're working for the operator of the fish farm. I wonder if you can help me to understand, is there for veterinarians, similar to human doctors, doctors who -- I don't know what the right terminology is here without this turning slippery so I won't try to head down that path, but is there a similar concept of the duty to the patient, and if there is a similar ethical kind of a concept, is your ethical duty in your capacity working for an operator to the fish on the farm and/or wild fish, or other wildlife, I suppose?
- DR. McKENZIE: The veterinary profession in B.C., the College of Veterinarians for British Columbia, we have a code of ethics and conduct, and this is something we rely on. I believe it is at Tab 18 of --
- DR. MARTY: Provincial tab.
- DR. McKENZIE: Provincial Tab 18 --
- Q Okay.
 - DR. McKENZIE: -- is the document that actually is the Code of Ethics.
 - MR. MARTLAND: And I'll just narrate for the record, Dr. Marty assisted you by referring you, I take it, to Tab 18, there.
 - DR. McKENZIE: And this is a code of ethics that applies to all veterinarians, regardless of

species, because we do work with a large number of species, and it outlines our responsibilities.

And our responsibilities are, and as it defines in there, to the public is one of our responsibilities as a veterinarian, to the animal, to the owner, as well as to the profession, itself. And that's laid out in our Code of Conduct that we take very seriously.

- Q Do you face situations in your work where there may be a conflict as between what's in the best interests of the fish on the farm and what may be in the best interest of wild fish in the vicinity, let's say? It's easy for me, as a lawyer, to see conflicts of interest or to frame it that way. I don't know if that describes what you encounter.
- DR. McKENZIE: Sorry?
- Q The question is do you have a situation where there's a conflict, where you're pulled in different directions and one, the duty to the fish on the farm has to override, or become the higher priority than any secondary concern about implications of a measure or non-measure for wild stocks in the area?
- DR. McKENZIE: I don't believe I can give you an example of that. I can give you an example of the reverse, though, where it becomes a bit of a conflict for me. We run a system of sea lice treatments that we consider, and we take the approach to treat fish, regardless of sea lice levels, in our spring out-migration periods in order to ensure that the lice levels on our farms are as low as possible during the out-migration of wild stocks.

Medically, these treatments are not necessary, in some cases where lice levels are incredibly low on farms, but to be cautious, we use that. Prophylactic treatments and the use of medication in that method goes against some of the better judgment and the decision making that a veterinarian really should hold. But we do that for the greater good and we've sort of wrestled with that for years, but that's my point there. All right. So you're describing there, if I have it right and this may indeed include or refer to

Q All right. So you're describing there, if I have it right, and this may indeed include or refer to the three motile lice per fish threshold for a management response, which may include a SLICE treatment.

- MR. MARTLAND: I'll just narrate, that's in the PPR at paragraph 70, for those who want to read up on it further.
- Q But at a general level, I think what you're describing there is that there can be, and perhaps your perspective, but tell me if I have this right, is that that standard for treatment, or some of the management responses that are required of you by government may be measures that aren't specifically needed, in your view, for the fish on the farm, but are intended to serve the interest of addressing the health of wild stocks.
- DR. McKENZIE: Yes. Now, I guess, one other example that comes to mind that is more towards what you were asking was years ago, when we found cases of IHN on a farm, and I diagnosed a case in a brood stock facility, it was very contrary to the business model of the company to cull these fish because the mortality was actually not that high.
- Q Mm-hmm?

- DR. McKENZIE: There was a number of researchers that were very interested in keeping these fish so that we could see if there would be a resistant strain of Atlantic salmon that could be produced and that was against my judgment because the risk of disease release, not only to farms in the area, but wild stocks and that, I was very adamant that these fish should be removed from the water. And following a series of discussions, that ultimately was the outcome, but that was probably the closest thing to a conflict, I would say, but it never really was. I was listened to. And at the time, I was a very new veterinarian in the field so it was important to me that the company recognized the ethical obligation I had and followed through.
- I haven't got so far in learning everyone's dayto-day work, but I would like to indeed pick up,
 we've had a useful discussion here with respect to
 the sea lice treatment approach, if I could ask
 both Dr. Sheppard and Dr. Marty, do you have
 comments on whether the three motile lice
 standard, or the management approach, perhaps more
 broadly to fish farms treating sea lice, is it a
 scientifically-based standard, as opposed to one
 that has a political provenance?
- DR. SHEPPARD: That's a good question, and before I answer that, Mr. Commissioner, just one for the

record. Mr. Martland suggested that any consideration of sea lice medications by private practitioners is not regulated by any government body. It's an option that they can go to, but to my knowledge, there are no regulated treatments of animals by government bodies. It's a veterinary decision.

In answer to your question, Mr. Martland, about the --

- Q And I'm sorry to do this, but I wouldn't want to let this pass, just to make sure I'm clear, but when you say it's not regulated, I take it SLICE is regulated, but are you describing that it's not mandated that there be an application of SLICE?
- DR. SHEPPARD: That's more accurate, yes.
- Q All right. I just wanted to be clear on that. DR. SHEPPARD: Yeah, the product, itself, is certainly licensed and available for prescription by a licensed veterinarian, but it's not mandated by the governing body.

The trigger level of three motile lice per fish in the out-migration period was initiated, that trigger, I think, around the period of 2004, and it was largely based on the precautionary principle in looking at the scientific information from other regions that were having effects by a pathogenic strain of this Lepeophtheirus salmonis, Atlantic salmon louse, or Atlantic Ocean louse. And so the Province of British Columbia adopted that same level, which would be comparable to what was seen as a trigger level in Norway and in Europe.

- Thank you. Let me, in fact, move to Dr. Marty and ask you the basic question about your job. As the provincial fish pathologist, what do you do, how does your work tie to finfish aquaculture? And if you could help us, I think you started into this distinction between the work you do and that veterinarians more broadly may do in relation to aquaculture, that would be helpful.
- DR. MARTY: Okay. I'm based at the Animal Health Centre in Abbotsford, and that is the veterinarian diagnostic laboratory run by the Province of British Columbia. We are a full service laboratory that does all species of animals. I am specifically charged to work with fish so any fish, whole fish, or fish samples that are

submitted are run through our technicians, but I'm the one who does the final case send off on those.

In most cases, our laboratories are set up in the centre of the poultry and dairy industries so we're about a day away from most of the aquaculture industry. So most of my clients, including our fish health audit and surveillance program, sample the fish on the sites. The fish tissues decompose very rapidly and so they are trained to sample the fish, preserve the samples appropriate for the methods that we do for diagnostic methods and then send them to me.

Technicians in our laboratory will do the bacteriology that's necessary. They'll do PCR tests for tests that are requested. And then I will do the histopathology.

In the end, all these different diagnostic modalities are brought together in a single case report that I will examine. I'll usually come up with a final diagnosis of what I think maybe is the most likely cause and also some other causes, and often, in my comments, I'll just include some factual information that will give some background information about the changes that I'm seeing. And then those will go out as a report that will then go either to the veterinarian in the field, like Dr. McKenzie, or go to the regulatory veterinarians like Dr. Sheppard.

So we receive both cases as part of official government audit programs and cases directly from the fish farms when they have problems with their fish.

The other things we receive from the fish farms, they'll often do a fish health screen when they're going to do a transfer, or something, and these are often just healthy fish. They just want to certify and have an independent lab that certifies that their fish are free of diseases of concern.

Dr. Sheppard, in skipping over the reading in, really, of your biography, I didn't -- it would have been clear from someone who'd read your CV, you know work for the DFO's Aquaculture Environmental Operations Unit, but indeed, your handover was close to or coincided closely to the handover to federal regulation for aquaculture, you previously worked with the Province. If you

could help us understand your present work, in a quick way, at least, your present work in the context of the work you used to do for the Province?

- DR. SHEPPARD: Yes, and I think this will be discussed, I noticed it here on Tab 2 of the Canada doc binder, which lays out the work that was performed in the province, as well, and is following on now within the Department of Fisheries and Oceans, but my role was, literally, with the Provincial Government was as the aquatic animal health veterinarian to oversee the Fish Health Program for the Province and it's largely a program to monitor and collect, and record, and then report out on the information of health-related findings at the farm on an audit basis. And largely, that program was in place so thank you very much for —it sort of outlines that in the first paragraph of this document.
- Q All right. So thank you, that's actually helpful. You've referred to Canada's Tab 2, this document on the Fish Audit and Surveillance Programs. This is a description, I take it, then of the work you do?
- DR. SHEPPARD: Yes, I did draft this two-page document as a quick synopsis as to how the program was designed, why it was designed and how it was monitored.
- MR. MARTLAND: I'll ask this, please, to be marked as the next exhibit.

THE REGISTRAR: Exhibit 1662:

EXHIBIT 1662: British Columbia's Fish Audit and Surveillance Programs

MR. MARTLAND:

Mr. Swerdfager, you may be wondering why you're here. Obviously, folks yesterday couldn't get enough of you so you're back. What I'd like to do, though, or at least our thinking was that it's also important to have some evidence today with respect to not only the questions of disease, pathogens, the health issues arising from fish farms, but also from the government and a regulatory perspective of what the approach is.

I'd like to try to ask you some questions, sir, by using Tab 8 of Commission's list of

documents. You'll see, we know from your evidence yesterday, and your background, you've been intensely involved in the development of the Pacific Aquaculture Regulation, as well as in the DFO's approach to fish health vis-à-vis aquaculture. This document was put in as Exhibit 1611 yesterday by Canada.

- MR. MARTLAND: This is number 8, Mr. Lunn on Commission's list of documents, Exhibit 1611.
- This is called, "The Approach to Fish Health." I should pause just to confirm, is this in a draft form?
- MR. SWERDFAGER: It is in a draft form.
- All right. And I won't do this at any great length, but just to frame the question, if we look at the bottom of page 2, and then on to pages 3, 4 and 5, looking at least at the sub-headings we see at the top of page 3, keeping fish healthy is one of the key aspects of the approach. I'll pause just to ask this question here, but maybe I'll ask the same question for the other sub-headings. We see, at the start of that sentence:

The fish held at culture facilities must be provided with a healthy and appropriate rearing environment.

So the premise, or at least the focus would seem to be on the fish on the farm vis-à-vis what this document describes, as opposed to wild fish? Is that a fair way to put it?

- MR. SWERDFAGER: This particular document, when it is completed, and it's not --
- Q No.
- MR. SWERDFAGER: -- will be focussed very much on guiding the Fish Health Management Program of the aquaculture activity, itself. Very, very specifically focussed in that regard. So it does not set out to put forward a fish health approach for all organisms in the sea, if you will.
- Q No, fair enough.
- MR. SWERDFAGER: So that we read about, and I won't read it in, but keeping fish healthy, the bottom of that page, "Monitoring fish health," onto page 4, "Responding to Fish Health Issues," then on page 5, "Recording and Reporting Fish Health," and then, ultimately, "Reference to Fish Health

Management Plans." Dr. McKenzie previously 1 touched on the fish health management plans, or 3 FHMPs, just to add another acronym to our hearings. From a regulatory point of view, could 5 you help us understand where these fish health 6 management plans fit in, or will fit in? I take 7 it, they are going to be part, or are required as 8 a condition of licence for the fish farm operator? 9 MR. SWERDFAGER: The logic here is that what we wanted 10 to do is make sure that there is no sense that 11 fish health management, or fish health management 12 plans, I guess, specifically, are in any way, 13 shape or form discretionary, advised, thought to 14 be a good idea. They are required. And so this 15 document begins the process of setting out what 16 will be in those, how they will unfold, and so on. And a big part of Dr. Sheppard's work is going to 17 18 be to help us design, in quite a bit of detail, a 19 structure and content of a FHMP, a fish health 20 management plan and what it should contain, and so 21 on. And as I say, or as the document, rather, 22 says, it will be a condition of licence, it will be something that is mandatory and is required. 23 24 When do you expect that will -- I take it it's not 25 the case now, that a FHMP is --26 MR. SWERDFAGER: It's not the case now because when we 27 introduced the licences on the 19th of December, 28 the fish health management plans that we sought to 29 attach them were not all complete, they were not 30 all the same form and structure, and again, 31 perhaps Dr. Sheppard will talk about, if he 32 wishes, the content of them. But what we've done 33 is we've set out what we see those plans being --34 or what's being required in those plans and they 35 will form part of the licence conditions in the 36 next batch or suite of licences that we issue in 37 December of this year. 38 Dr. Sheppard, our Policy and Practice Report makes 39 reference to FHMPs in the provincial context. 40 Maybe you can help us understand this, they're not 41 a brand new creation moving forward, they're 42 something that did exist under the provincial 43 regime, so to speak, and that is now being 44 developed, perhaps in a different way, for the 45 federal environment. Could you help us understand 46 what the differences are or are expected to be in 47 the work that's ongoing there?

- DR. SHEPPARD: Yes, and I apologize if I'm pre-empting Canada counsel here, but they have noted on Tab 6 of their binder the required elements of a fish health management plan, dated 2003, and they've also noted on Tab 8, I believe, the actual template document for a fish health management plan.
- Q Well, this is helpful. I'll just address Mr. Taylor's time allocation. So let's go to Tab 6, The Required Elements of a Fish Health Management Plan. This bears the date of 2003. What, in brief, is this? Who's prepared this document?
- DR. SHEPPARD: That document, "The Required Elements," was developed by my predecessor in 2003 to inform the marine salmon producers what the minimum requirements would be within their health management plans that they develop. So it's a guide to a bit of an overview, and I think on, I'm going to say page 3 of that document, if it's available, on the bottom, there, the heading, "Goals of a Fish Health Management Plan," fairly succinctly lays out the purpose of developing one. O All right.
- DR. SHEPPARD: And so that was through the provincial oversight of the industry. And then on the template, itself, was the document which is a bit of a -- well, simply a template that the farmers would use in conjunction with their veterinarians to write and develop their own corporate health management plan, following that same format, with the same headings, et cetera, but, of course, it would be catered to their own individual business. And if I may just add a little more, it's that these health management plans and this template can almost be broken out into two main components. One is the main body or text which lays out the fundamental guiding principles, if you will, of health management. One example would be the collection of your carcasses on a regular and routine basis, you know, for early detection and diagnostic value, that sort of thing, but you'll notice, at the bottom of that particular fundamental section, there would be a reference to an appendix, which is largely the standard operating procedure of that particular fundamental aspect. So when you go look at that standard operating procedure for collecting carcasses, that

portion might vary from site to site within the company. For example, one farming system may use divers to collect their carcasses, whereas another farming system on the other side of the Island may use what's called an uplift system, which will bring their carcasses to the surface mechanically. So those standard operating procedures are more specific to the particular site, and those standard operating procedures could be reviewed and revised on a fairly regular basis. will notice one of the requirements of the condition of licence, the federal conditions of licence now is that it's been asked that all marine salmon farmers that have an existing health management plan, that they submit that, and they have. And that will be revised, those plans will be revised based on an update of this template by the federal government.

And the second part of the condition of licence is to annual submit revisions to that health management plan when, more specifically, it refers to annually submit the fine detail of those standard operating procedures. For example, they may change the type of disinfectant that they use, or they may change the concentration of that disinfectant that they use so those are the details that we're looking for. They're not really at liberty to change the fundamentals of the health management plans.

MR. MARTLAND: Before I forget to do it, I'd like to have, first, Tab 6 from Canada's list of documents, the June 2003 document, marked as the next exhibit, please.

THE REGISTRAR: Exhibit 1663.

EXHIBIT 1663: Required Elements of a Fish Health Management Plan for Public and Commercial Fish Culture Facilities in British Columbia, June 2003

MR. MARTLAND: If I could propose as Exhibit 1664 Tab 8 from Canada's book, the template?

THE REGISTRAR: 1664.

EXHIBIT 1664: Template for Development of Facility - Specific Fish Health Management Plans

1 MR. MARTLAND: And just to keep Mr. Lunn on his toes, 3 if we could move to Exhibit 1 --4 DR. McKENZIE: Oh, excuse me. 5 If I just might add to this, before I MR. MARTLAND: 6 forget --7 DR. McKENZIE: Yeah. 8 MR. MARTLAND: -- 1594, Mr. Lunn. 9 And I'll just be looking to connect the dots to 10 confirm if 1594, I expect we'll see that is, Dr Sheppard, if you have a look on the screen, sir, 11 12 you'll see, I hope, when you refer to the 13 conditions of licence, that's what that is? 14 DR. SHEPPARD: Yes. 15 MR. MARTLAND: Sorry, your microphone? 16 DR. SHEPPARD: I'm sorry. Yes, those are the Marine 17 Finfish Conditions of Licence from Department of 18 Fisheries and Oceans. 19 Thank you. Dr. McKenzie, you had a brief point? 20 DR. McKENZIE: I just wanted to add a brief point on 21 the background of the fish health management 22 plans. When they were developed back in 2002, 23 2003, when we first got started, they were 24 developed as part of what was a provincially-led 25 committee that was set up that had representatives 26 from DFO, Freshwater Fisheries Society, academia, 27 the industry, as well as the provincial 28 veterinarian, and as a group, we developed the 29 template and the contents that we all recognized 30 that were important. The original format of the 31 Fish Health Management Plan, and the intent of 32 that Fish Health Management Plan was to have it 33 implemented in all levels of aquaculture, so not 34 just industry, but Freshwater Fisheries Society, 35 as well as DFO enhancement facilities and any of 36 their culture facilities. We went through that 37 process. We actually went through a process where 38 we developed the different sectors to help the fish health management plans, brought them back to 39 40 that committee. We then reviewed them and updated 41 that template based on areas they may have missed, 42 or that weren't well clarified. So I wanted to 43 just add that it was quite a comprehensive 44 process, with different stakeholders involved. 45 And we also saw very different implementation 46 strategies. The industry, of course, it was part 47 of our condition of licence and it was very much

bought into under the process. Freshwater Fisheries Society has implemented a lot of theirs 3 under their structures. And DFO, as Dr. Stephens reported in his expert report, you know, there has 5 been some struggles implementing fish health 6 management plans and all the levels of enhancement 7 facilities just because of the diversity. And 8 certainly, that was still the goal. And this was 9 made to be a part of the fish health database 10 which, again, was going to be a collaborative 11 effort that the salmon farmers have continued to 12 run with. 13 I'd like to move on. I think, Dr. Sheppard, you 14 may be leaning towards the mike, if you have a 15 brief point, sir, and then I'll --16 DR. SHEPPARD: Just not to put too fine a point on it, 17 but just now that you mention the conditions of 18 licence, the federal conditions of licence that 19 the fish health management plans was also a 20 condition of licence under the provincial regime. 21 Thank you. What I'd like to ask about next is a Q 22 question pertaining to new pathogens and/or disease. There's been some prominence to concerns 23 24 that have arisen about the possible arrival of, in 25 particular, ISA, and in particular, in the context 26 of concerns about how aquaculture facilities and 27 operators import eggs. What I'd like to do is ask 28 you to respond to, I take it, a shorthand, when I 29 describe that kind of a concern, that's a concern 30 that you've heard about and may have some 31 familiarity with. I'd like to ask for your 32 responses to those concerns at a broad level. 33 Dr. McKenzie, your background includes having 34 worked with CFIA. Mr. Swerdfager, you have 35 familiarity with the introductions and transfers 36 process so if it's helpful for you to rely on that 37 background in answering this question, I'd appreciate that. I don't have a batting order 38 here so I don't know if you gentlemen -- Dr. 39 40 McKenzie, would you like to first --41 DR. McKENZIE: What specifically --42 Well, the general question is ISA and egg importations as the specific way that this has 43

arisen, but the general question is about the

the future be responsible for importing exotic

diseases that could have devastating impacts on

concern that fish farm operators may be or may in

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wild stocks.

DR. McKENZIE: Okay. Yes, certainly, through my role, and just to clarify my role in CFIA, when I worked for the National Aquatic Animal Health Program, my role was the National Manager of Import and Export, and we were developing regulations and programs to control imports and exports through the new regulation that was being set up under the Health of Animals Act. So that's the future, but through that process, we reviewed a lot of international strategies, standards and approaches to import and export controls.

The import controls that are in B.C. and that have been in place in B.C. for a number of years are internationally renowned as far as being very strict, almost to the point where they're too restrictive for many countries to consider.

So there are many levels of control, but the fundamental process that's been in place over the years, and Trevor, I'm sure, will add to this, is the introductions and transfers process, which is the control of any introduction into British Columbia.

Now, the Introduction and Transfers Committee are an interesting structure in the sense that they are a collaborative effort between the federal and provincial governments and, therefore, different provinces have slightly different criteria and ways that they approach imports. I'm speaking specifically of how B.C. handles imports. So there is a process in place. has been imports allowed over the last few years, and the B.C. Salmon Farmers have produced a document by John Lawrie that has a summary of all the imports that have occurred over those time periods and the mitigative steps that are in place. But to summarize, the Introduction and Transfers process is the controlling body. I've worked, as I said, for CFIA, but I've also worked in the industry on the import side.

As far as imports are concerned, if an industry is interested in importation of eggs into British Columbia, they make an application to the Department of Fisheries and Oceans. The Introduction and Transfers Committee, and the insurers and the local fish health officer ensure that the applicant is able to meet the criteria

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that is laid out under the fish health protection regulations, which stipulate the criteria that you have to have an approved source that has met standards that are laid out under the **Fish Health Protection** Regulation, you have to have a facility in order to receive those eggs that is considered a quarantine facility with acceptable water treatment pre and post that restricts those importations. In addition, you have to have testing done after the arrival into British Columbia. And B.C.'s unique in that they limit imports to only eggs. You can't be importing fish, salmonid fish. Again, this is disease mitigation.

So the process from an industry perspective is you make that application, you're provided with -- assuming that you can find a source that is approved by DFO where they conduct a risk assessment and an inspection of that facility. that facility meets the standards that is laid out by Fish Health Protection Regulations, then DFO provides an import contract to the applicant. lays out the conditions of testing, quarantine, release, communications that have to be relayed to DFO and approved as you go through the process. The eggs have to be put into quarantine. They go through a series of testing, usually once a month. So it's usually six or seven tests during the quarantine period. Only after satisfactory testing results are provided to DFO from a DFOapproved lab are we able to release them from that quarantine. They then go into an isolation process, where they can be on natural water, but are still kept separate from all other production facilities. They are continued to be tested during that period and only at that point when the final testing is approved by DFO can they be released. At that point, they still need to be tracked as an individual group in the saltwater. All of that information is provided to DFO through those various steps.

ISA, in particular, is a disease that is on those import contracts that we were required to test for. We also -- speaking for Mainstream, we require of our exporting company, actually, to be testing for ISA, as well, with a methodology that we prefer, which is PCR. So we have that stage

and then we test for ISA on, as I said, up to six or seven times prior to release. We also are monitoring those fish on a daily basis. Myself, I'm responsible for clinical signs and evaluating those fish at all those different stages, as well a local fish health officer has a responsibility to come by, visit the fish, ensure the facility is sufficient prior to the eggs arriving, ensuring the fish health and the quality is sufficient during their quarantine period before they are released from that. So there's a massive number of steps in order to reach that end goal of releasing those fish into native waters.

- Mr. Swerdfager, I'm going to ask you a question in just one moment on this topic, but first, Dr. McKenzie, the testing that you've just described, is it ever revealed or found ISA?
- DR. McKENZIE: We've never found ISA in that testing, no.
- Q Mr. Swerdfager, from your point of view, Dr. McKenzie has outlined the system that's in place. How do you respond to the criticism that the Department's approach here is inadequate, that the risks outstanding are too significant?
- MR. SWERDFAGER: Well, I suppose I would respond in two ways. The first is that the process that Dr.

 McKenzie has just laid out is, from my point of view, at least, one that is extremely rigorous, extremely thorough, and we have a very high degree of confidence in it. And we are quite confident that the regulatory regime that we have had in place and that we have in place now effectively prevents the introduction via egg imports of disease into Canada for the very reasons that Dr. McKenzie has just laid out.

I would add simply two things, really. The first is that as Dr. McKenzie pointed out, he was focussed on British Columbia. I would just simply add that we have a similar, not identical, but very, very similar process in place for "the rest of the country." Each province has a variance and a nuance on it because of the particularities of the province, and so on, but the system is one that is national in nature. Its operation reported up to me, as the Director General of Aquaculture Management, so I'm quite familiar of the structure of the process in each of the

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provinces. So if someone wished to bring or apply, rather, for an import into Canada and bring it in to, say, Nova Scotia, you still have to have a similar sort of permit to bring it from, say, Nova Scotia to British Columbia. So internally, within the country, it's not simply exports or, rather, imports into British Columbia from other nations, it's from anywhere outside the boundaries of British Columbia. So we do have a very comprehensive system in place, and I would note that I wouldn't say it's, by any stretch, a daily occurrence, but it is a regular occurrence that we refuse applications for imports. We have not done so or had any cause to do so in British Columbia, but we refused two, for example, last year into Nova Scotia, where there's an application to import fish eggs from France. I won't list all of the refusals, simply to note that the system is not just simply a rubber stamp that says, "Lah-didah, away you go."

The second thing that I would simply point out with respect to amplifying on what Dr. McKenzie has said is that the kind of information that is being spoken about here has not, historically, been made public, perhaps, in the way that we could have and should have. We have remedied that. We are now going to -- we have already posted information on egg imports into British Columbia. It's something we are going to work on nationally, I might add, as an asterisk, outside the bound of this question, so to speak. But one of our concerns in the past is that if people don't know things, necessarily, occasionally, you make them up, or exaggerate, or surmise things that are not there and we have not done as good a job as we could have and should have of putting that information out there in a public way that says, quite simply, in black and white, "Here's what was imported, here's the time." And that, now, has been remedied and so it will be a matter of routine that egg imports with respect to aquaculture, in British Columbia, will now be posted on the DFO website. I don't know the frequency, simply because there just isn't a lot. We're not going to post a monthly update if nothing happens, so to speak, but it will be a very, very regular updating and will be quite

public.

Q On an annual basis?

- MR. SWERDFAGER: Mr. Martland, I'm not sure exactly if it will be annual, it may be more frequent. As I say, this is not an area where there's a lot of activity so posting, shall we say, a monthly update simply to say nothing happened, the benefit of that is probably rather marginal, but I don't actually know. We may end up doing that anyway, just simply to indicate that nothing's happened.

 O Mm-hmm?
- MR. SWERDFAGER: But I expect that the frequency of the updates on that will be greater than annual. I don't know if it will be monthly, weekly, it certainly won't be daily, but it will be regular and frequent.
- Q Dr. McKenzie, you had a brief point?
- DR. McKENZIE: Just a very quick comment. I wanted to reiterated the fact that the standards that have been set have been recognized internationally as being very robust, and those are the conditions that are in place in B.C., if you look around the world. The British Columbia Salmon Farmers Association has also asked Dr. Larry Hammell, who's the director of the OIE, Epidemiology and Risk Assessment Committee on aquatic animal diseases to do a review of the import documents. And I believe that document was submitted for identification previously. And he did a review of the risk associated with imports since 1985 to 2009 and provided his commentary on that.

Q Thank you.

MR. MARTLAND: Mr. Commissioner, if I might take one brief moment to confer with a colleague? Thank you, Mr. Commissioner, that, from my perspective, concludes the Commission's questions for this panel. I wonder if I can put an asterisk on that, to use Mr. Swerdfager's phrase, and propose that we go to, if it's agreeable, perhaps a 10-minute break now, and I can not quite finalize, in case Ms. Grant or Ms. Chan has a further point that I ought to address. So if I might propose we move to a break now, please?

THE COMMISSIONER: Yes, thank you, Mr. Martland. THE REGISTRAR: The hearing will now recess for 10 minutes.

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(PROCEEDINGS ADJOURNED FOR MORNING RECESS) (PROCEEDINGS RECONVENED)

THE REGISTRAR: Order. The hearing is now resumed.
MR. MARTLAND: Thank you, Mr. Commissioner. I have Mr. Spiegelman, for Canada, next, 35 minutes.

MR. SPIEGELMAN: Good morning. For the record, its Jonah Spiegelman for the participant Government of Canada. Some of my ground was covered earlier this morning, so whereas I was going to start with a caution to answer very quickly, perhaps we can take more time and give more comprehensive answers than I had expected, so that's great.

CROSS-EXAMINATION BY MR. SPIEGELMAN:

I'll begin by asking a very broad question and asking you whether you all agree with that, on this panel, and that's this: Keeping cultured fish healthy is an objective that's shared by all stakeholders concerned with aquaculture; can you all agree with that?

DR. MARTY: I agree.

DR. McKENZIE: I agree.

DR. SHEPPARD: I agree.

MR. SWERDFAGER: Yes, absolutely I agree.

- Dr. McKenzie, you commented, earlier, on some of the measures in place, but I wonder if you could expand a little bit on some of the measures taken by aquaculture operators to ensure that the stock in the pens remains healthy throughout their life?
- DR. McKENZIE: Okay, specifically, I guess, I might end up taking you through a lot of the elements of the Fish Health Management Plan, but to start off, we -- industries are in control of their brood stock programs. This is the ultimate -- this is the starting point of fish health for our programs is to start off with good, healthy stocks. So we maintain brood stock programs, mainstream in particular. We have a genetics program that we've been utilizing genetics and evolution to better improve not only our growth but our health of fish, and so that's our very first step, is to have good, healthy brood stocks. Then produce eggs in a manner that is sanitary, using screening methods for all our brood stocks, disinfection methods for all our eggs, and very stringent

biosecurity standards, while we're stripping these eggs in order to ensure that they are not exposed to pathogens. We want to start, in our hatcheries, with a clean, healthy egg.

From there, we have -- all the processes we have in place are to maintain a good rearing environment, a good nutritional environment for our fish as they start out. When they reach a certain age, typically around one to three grams, we use - some companies do and some companies don't; it depends a lot on your hatchery - but we use a dip vaccine, which is the first vaccine that they'll use, and this will help them fight off any level of disease. We also take -- we also make great measures to disinfecting the water coming into the hatchery, so even if there's any pathogen that's existing in the water before it reaches the hatchery, that we are removing that.

So we're providing them with the best rearing environment, low pathogen exposure, we're providing them with a vaccine in order to fight, if they were exposed to any pathogen. We then take very seriously our biosecurity to ensure we're not moving high risk people, equipment, animals, into and between hatcheries, again, keeping pathogens out, keeping our fish as healthy as we can. We monitor them on a daily basis. When we're looking at mortality curves, we're looking at classifications of mortality, if they occur, the veterinarian and fish health staff investigate those conditions. So we take that as a step-wise process, and that's seven days a week, 365 days a year we're undertaking that process.

If things occur, and requires a treatment or it requires a process of culling, or there's — there's different options we can use if something does occur. But the importance for us is to have early detection and constant monitoring of the overall fish health.

As we go through the freshwater process, that is -- we'll get to a later stage where we vaccinate, where we actually use an injectable vaccine. Every single fish gets injected by a vaccine to protect us against a lot of the endemic pathogens we have in saltwater to ensure that they are well protected before they go to saltwater.

They are vaccinated and allowed, for a period

of time, for that immune response to kick in, usually around the 400-degree days. It can be several months, in some cases. Once those conditions are made, the fish then are ensure -we test them to ensure that they are in optimum physiological conditions, as far as smoltification There is different ways that we can is concerned. assess fish to ensure that they are healthy and physiologically fit to be transferred from a freshwater facility to a saltwater location. That's an important point, because that period of time, what they call smoltification, is the period of time where the anadromous fish is switching its body from freshwater acclimatized to saltwater. During this period, they have -- their immune system can be compromised and it's a very important period for us to maintain high biosecurity standards and to ensure that they're fully vaccinated before that point.

From that position on, we move the fish into saltwater, where the same practices are in place. We're doing daily observation, monitoring, I do monitoring of trends, disease trends, classification trends. We have technicians that are daily looking at fish, cutting open, doing necropsies every day, thousands of fish that we do all year long, looking at fish to look for trends, new emergence, any sort of change as to the normal.

If there's an issue, we investigate; if there's a treatment response, then the veterinarian is involved into the appropriate actions that we may take. So we do that level of monitoring.

We also do regular screening during that process to ensure that we aren't seeing anything, that we aren't missing anything, and we do that throughout our process and it never stops until the day we harvest.

- Q Thank you. And to what extent are these measures that you've just outlined required by government regulation?
- DR. McKENZIE: All the measures that I've described are elements of the Fish Health Management Plan, and so if you look at the template you'll see that they are parts of them. The Fish Health Management Plan goes beyond that and talks about

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appropriate nutrition, appropriate welfare standards, avoiding predators, which are stressors, and things that we do that further enhance our -- the overall health of our fish. Thank you. Dr. Sheppard, I'll turn to you. the new federal regime for monitoring and surveillance of fish health, I wonder if you could

describe the process in brief. And if you want to make reference to Tab 2 of Canada's binder, which is now Exhibit 1662, you may do so.

DR. SHEPPARD: Thank you. That particular document in Tab 2 does outline our activities within the program, and it happened while working for the Province and now working for Fisheries and Oceans, in general, the program involves -- has three major components. One, is the -- using as a cornerstone the health management plan, and our program is designed to monitor the compliance and the implementation of -- that the farms are implementing, that particular health management plan for that particular company. So we have a checklist. Every time we go to a farm site, we will use a checklist to verify that.

The second component, of course, is the audit and surveillance of the health aspects. So, again, as outlined on page 1 of the document, it -- we coordinate with the farmers and with the divers to make the carcasses available to the surface, and we will collect samples based on a standard operating procedure and based on recommendations from the OIE, et cetera, to look for causes of death in, most recently, dead fish, which is the -- we feel to be the most likely sample that we can collect, which would reflect what is happening in that population of animals.

So in other words, the farms are selected randomly each quarter by an algorithm, and so it -- each farm in British Columbia has equal opportunity to be selected for an audit. But once we -- once that farm is identified to be audited, there's a targeted selection for the fresh carcasses that are most likely to reflect what's happening in that population at that farm.

And then the third component is to monitor sea lice abundance within the cages, and again, an independent algorithm and selection, random selection, of active Atlantic salmon farms is used

to identify which farms will be monitored. And then, again, a standard operating procedure whereby the farm staff will view 30 fish from three different selected cages and the regulatory government staff will view the other 30 fish, so 60 fish in total, the idea being that we can then, as the regulator, be comforted that we are seeing the same things that the farmer is seeing and it's being recorded in an identical way, so we can actually then compare the results and be confident that the farmers are actually looking for the right things and recording it as such.

And that's just as part of the audit program. They will conduct their own audit, or abundance counts, regularly, in general, twice each month.

Does that answer your question?

Yes, thank you. Mr. Lunn, can I have Tab 10 of Canada's list, please.

Dr. Sheppard, you mentioned an inspection checklist, and I wonder if you can confirm that that is the document on the screen?

DR. SHEPPARD: Yes, it is.

MR. SPIEGELMAN: Can I mark that as the next exhibit, please.

THE REGISTRAR: Exhibit 1665.

EXHIBIT 1665: Fisheries and Oceans Health Management & Mortality Management Plan (HMP) Inspection

MR. SPIEGELMAN:

- Q And you touched on it briefly, but I just wonder if you could tell the Commissioner how this document is used in practice out in the field on your audits.
- DR. SHEPPARD: Right. Again, to reiterate, at the beginning of each quarter, calendar quarter, 30 farms would be selected for audit. So in total, 120 farms would be visited for the purpose of health and surveillance, audit and surveillance. And on sea lice component, an additional 40 or 50 farms would be selected. So in general, our goal is to, from a fish health perspective, visit the active farms in British Columbia in the neighbourhood of 150 or 160 times each year. And each of those visits, regardless of whether we're going to look at health or lice abundance, we

would, at the end of that assessment, our staff will pull out this form - it's been rewritten since my employment with Fisheries and Oceans and it asks a series of questions that our government staff will interview the farm manager and sit with him or her in their office to pour through records and interview them and do a walk about the farm to answer these questions which are largely geared toward addressing, are they following their health management plan, the fundamentals of it, and more specifically, you'll note at the tail end of each one of these headings is largely a reference to the actual condition of licence that it refers to. For example, there on the screen, biosecurity (s. 14.2(a)vi) of the conditions of licence.

So that helps us to guide why we're asking the question, but it also helps the farmer to understand that this is a requirement and this is why these records need to be kept. And we find that this document is not only useful for the regulator, but it's also useful for the farming staff and the managers of the farming companies - and correct me if I'm wrong, Dr. McKenzie - because it's almost like a good cop/bad cop situation in that if we find something at all that happens to be -- highlights an area of improvement or something, then the farming company can go back to the staff and fine-tune that fairly immediately.

Thank you. Can we have Exhibit 1594, the Federal Conditions of Licence, please, and in particular page 10, pdf 10.

Now, section 7, which you see on the screen, sets out the fish health record-keeping requirements imposed on fish farms under the new federal regime. I imagine you're all fairly familiar with these requirements.

- DR. SHEPPARD: Yes, I am.
- Mr. Swerdfager, I understand you were involved with the preparation of the conditions of licence. Can you please comment on the rationale for requiring so much record-keeping?
- MR. SWERDFAGER: I was involved in the development of it. The rationale is that, as I mentioned earlier, I believe, and certainly yesterday, we were trying to make the management regime for this

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industry in this province as transparent as we possibly can. One of the consistent themes in the public consultations that we held in the number of public workshops and in a while series of bilateral meetings with environmental groups and First Nations industry and others, was that it was very difficult to find out information easily about the nature of the industry, how it operates and so on, and so we also -- or, rather, we took that very much on board and wanted to create a scenario under which the industry became far more transparent.

We also wanted to eliminate any debate and discussion about this. The conversation, as I describe it with the industry, is pretty much a one-way one on this sort of thing. We are simply saying, "You shall do this," in terms of these records, "You shall report it. You shall report it in the time and the manner that we lay out." It's not a negotiation, the dialogue or discussion and so on, it's just simply that, "This is the rule. Please comply, and if you don't," there's an appropriate response to that. So we are very confident that we will receive all this material in due course and in the appropriate timeframes and format and so on with the goal of making ourselves fully aware of the nature of the operations on the farm, and also putting ourselves in a position to make all that information public. Thank you. Dr. Sheppard, it's not just a matter of requiring information and record-keeping for the sake of transparency, this information, I take your evidence, earlier, this information is very useful to you in your audit function as a regulator; is that correct?

DR. SHEPPARD: Yes, it is. And I failed to mention that during those health audits or sea lice audits, we have several other field sheets, if you will, where we document much of the same information which comes back with the actual fish tissues and is incorporated into the fish health database and this is largely what myself and a colleague and the field operations veterinarian use in conjunction with all other bits of evidence from the pathologist and the laboratory results to help make our diagnosis.

And again, just one last comment is that

largely, it's probably no surprise to the veterinarians on the panel here, today, that this is information that would be kept normally, anyway, as part of a veterinary record and farming record, back to your earlier question, your first question, perhaps, which was, it's in everybody's best interests, who's working with these animals, to record it and keep them healthy, and this is largely how it's documented.

- Q Thank you. Dr. McKenzie, do you agree with Dr. Sheppard's last comments there?
- DR. McKENZIE: Yes, I do. You know, the industry's commitment to fish health is, from our perspective, everybody recognizes that healthy fish are productive fish, and so it certainly helps the business, there's no conflict, so everybody agrees.
- Q Okay. Thank you. I'm going to switch topics a little bit. Dr. Marty, are you aware that Commission Counsel in these proceedings permitted Alexandra Morton to make a confidential report to the CFIA regarding documents she found in the Commission's disclosure database?
- DR. MARTY: My interpretation of the actual order is a little unclear, but I know that the report did occur.
- Q And how do you know about that?
- DR. MARTY: I was informed about it through, I think, reading one of Alexandra Morton's blogs, or possibly from CFIA. I don't remember exactly.
- Q Okay. And the documents at issue were reports that you authored; is that correct?
- DR. MARTY: Yes.

- Q Mr. Lunn, can I have Tab 4 of Canada's binder, please. On the screen is a CFIA record that documents the actions and decisions it took in response to this report. Have any of you seen this document before?
- DR. MARTY: Yes, I have. It's also at Provincial Tab 40.
- MR. SPIEGELMAN: May I have that as the next exhibit, please.
- THE REGISTRAR: Exhibit 1666.

EXHIBIT 1666: Aquatic Animal Health Division, Canadian Food Inspection Agency, Record of Decisions, May 16, 2011

1 MR. SPIEGELMAN: 2 Dr. McKenzie, on page 2 of this document - Mr. 3 Lunn, if you could scroll down - under the Follow-4 Up (Decision #1), it states that you were 5 contacted by Dr. Kim Klotins of the CFIA; is that 6 correct? 7 DR. McKENZIE: Yes, that's correct. 8 And they were inquiring or requesting further 9 information to investigate this report? 10 DR. McKENZIE: Yes, Dr. Klotins informed me of the 11 situation, that they received a report, and a number of reports were provided to them, 12 13 histopathology reports that were provided to them. 14 They had gone through them and selected out any 15 reports they didn't feel they had enough 16 information on to make a decision, and that they 17 had informed me that two of those reports were 18 associated with clinical cases I had submitted 19 and, therefore, they requested some follow-up 20 information. 21 And you provided them with the information they 22 requested? 23 DR. McKENZIE: All the information that was requested, 24 and they, yeah, they had no follow-up request. 25 Thank you. On page 3 of this document, if we can Q go to Recommendation #3 (sic), down under 26 27 Decisions there, it states that, "All cases were 28 evaluated as NO RISK for ISA". Dr. Marty, is that 29 evaluation consistent with the conclusions you 30 reached as to these particular cases in the first 31 case? 32 DR. MARTY: Which number are you pointing out, again? 33 Recommendation number --34 DR. MARTY: Under Decisions? 35 No, that's not -- sorry. 36 DR. MARTY: I have item 2 on June 24th, 2011 --37 Oh, that's --38 DR. MARTY: -- is that the one to which you're 39 referring? 40 Yeah, that may be it. Sorry about that.

DR. MARTY: And also while I'm talking, I now recall I

Yeah, June 24th, number 2 there, you're right.

interpretation of the results in these cases?

And that's consistent with your original

application from Mr. McDade.

DR. MARTY: Yes, I have seen that before.

think I actually heard about this first through an

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DR. MARTY: Yes.

- Q Then if I can ask, why, in those cases, did you make reference to ISA?
- DR. MARTY: Part of my role as a pathologist is to provide information to my clients. So often what I'll do, if you actually read the individual reports, is the first sentence or so will say, "Here is my summary. Here's what I think it is. Here's what is probably most common." In the case of these reports, often I would say that viral hemorrhagic septicaemia virus is the most common identified cause of these lesions of concern. also, I'm also aware of the interest and the potential for ISA to come into B.C. And so in all of these cases I have a standard comment that I use with this lesion that says something like, "Sinusoidal congestion," which is the lesion of concern, "is a classic lesion associated with ISAV." That's just a statement of fact that provides my clients with information. And I also include a clause after that, "but ISAV has not been" -- "never been identified in British Columbia."

And I think if we want to have some support for that, there's an application that was put in earlier that showed the number of tests that have been done in British Columbia over the years. Throughout the audit program, we test between 600 and 800 fish every year, since 2003, with a highly sensitive and specific PCR test, and those have been all negative. And so that gives me a great deal of confidence that we don't have ISAV in British Columbia.

So in several of these cases, it's not routine, when you have that level of confidence, it's not routine to always test for it when it's not known to occur, especially when you always have this active audit program going on. In fact, CFIA actually discourages us to test for international foreign animal diseases. They prefer that they be called.

So the fish health, because there weren't requirements from CFIA before January, we sort of have a grandfather-type system. We have this very good audit and surveillance program, and sometimes the fish farmers, themselves, actually just request the tests. The reason they would request

the test is to build up a history that we have something that might be considered a suspicious lesion, we've tested for it, month after month, year after year, it's consistently negative. That is very good evidence to international regulatory bodies that we're testing suspicious lesions, they're negative. That gives them a lot of confidence that, indeed, we do not have this virus in British Columbia.

Thank you. That leads nicely into this opportunity, since we have veterinarians on the stand. I was hoping that we could get a description either in general terms or, in particular, with a disease, about how a diagnosis is arrived at when a dead fish is examined.

And Dr. Sheppard, if I can start with you, and then we can let the others chip in.

DR. SHEPPARD: It sometimes is a difficult thing to describe. I don't know if it's in the -- I can't recall if it's in the Provincial binder or not, but there's a reference, probably, to the 2009 annual report. Within there, at which I am responsible to author each year, but I think maybe on page 10 or something like that, or I'm not exactly sure, but anyway, it does describe sort of the process that we go through for to make the farm level diagnosis.

So it begins with, well, first, a distinction between - and we've spoken about it earlier - the distinction between the presence of an organism versus an infection versus what's really a disease, three very different things. And so the veterinarian who needs to make the diagnosis, if you'll allow me, Mr. Commissioner, I make the analogy of we need to compile all of the information collected not only from the farm, the interviews with the staff, the information on the field sheets, all these different tools we use in terms of, if you'll allow me, evidence, right through to what Dr. Marty will present as his diagnosis on a cellular level and a tissue level and an individual fish level, we use all that as tools and we compile all that in an epidemiological approach to look at all the factors to determine not what is the diagnosis in that individual fish, in other words, a lab result or a histopathology result, but what is the

diagnosis at the farm level, at the population level, where the audit was conducted. And so we compile that information.

So as an example, we may collect 10 fresh carcasses at a farm. One of them may have indications of pathology as described by Dr.

Marty. Then my job would be to look at, is that relevant to the main population when the mortality rate is low, there have been no treatments required, no fish health events, the attending veterinarian is very aware of what's going on and is taking no action. So I would tend to not call that a disease-level problem at that farm. I would consider it one fish, one sample, it's a lab result.

Does that help to ...?

Q Does anyone else want to add to that, please?
DR. McKENZIE: Perhaps I could just go to a little more of the farm level, because Mark certainly -- or Dr. Sheppard certainly comes in, in place in an auditory process, and again, he's a little bit on the outside in the sense that he may not have the history or the knowledge of how these fish -- what changes may have occurred or in the recent past.

So just fundamentally, as a veterinarian, we go through a process. And every time we look at a problem or a disease diagnosis or a concern, we go through a mental process, and that's fundamental to our training. So we go through a process of we identify history, what history or conditions may have created a greater probability for different outcomes or different causes for the disease. We then look at behaviour. We may look at changes in behaviour, changes in mortality occurrences, or in activities such as where they occupy in the water column, or something along those lines. So those are our first pieces of evidence that we collect as veterinarians on a routine basis.

The next is we start to look at the fish, itself. We look at gross examination of individuals, look at the external appearance, are there any -- is there any evidence of particular things we see. With plankton you see gills that are a different colour. We see external lesions. We see darkening of fish. There's a number of things that we bring into play there.

Then we add in the necropsy, which is

experience of looking at fish, looking at different pathology, findings of different diseases, and what consistent clinical findings we see in those fish. And from our experience, we take those conditions and we, again, add them to our mental picture. So we're making a list of the information that we're collecting.

The next step is to collect external information, laboratory information. So maybe those are tissues that go to Dr. Marty. Maybe they're tests that we can look at and microscope at the farm. Maybe there are other options, we do bacterial cultures on the farm. Those are -- again, we keep building that list.

As a veterinarian, what you do is you create what we call a differential diagnosis. So we create an immediate list of, say, the top 10 things that would cause this picture, and as we go through our process of adding in all this information, we start knocking off, what is the most likely. Most likely. In some cases, I feel it's disease A and I send the results to Dr. Marty for a very specific test, and it'll come back, "Yes, that's exactly it." That reaffirms not only my clinical experience, because I've seen this, I've seen that, and it was positive, just like I thought, so you gain knowledge and experience through that process. So it's a bit of a learning process every single time we do a case. But at that point, you have a diagnosis.

So you have to put all of those pieces of information together. It's not a single test. If Dr. Marty sends me a negative and I -- that just is -- that's another piece of information that knocks off these three causes and gets me closer to the final diagnosis in the field, so that I can manage that particular situation.

So that's kind of the process we go -- mental process we go through for diagnosis.

So I if I understand your evidence, then, a given symptom, if it was found on a fish in isolation, a symptom isn't indicative of any particular disease or health problem, there may be symptoms that would give rise to a whole list of, on that differential diagnosis, and further information and experience would be required to narrow it down and come to a diagnosis; is that --

- DR. McKENZIE: Certainly with time you develop an experience. Unfortunately, with fish, a lot of clinical signs are consistent among many diseases. They're not what we call pathognomonic. You don't see it and, "Oh, that's it." But you do see trends, and over years of experience, and I've cut open thousands of fish, and you've gone through worked through many cases, you learn that knowledge. You gain that experience. And you get to a point where you have a really good your differential diagnosis gets far more refined with time and expertise filling in the gaps for you. So yes, with times you gain that.
- MR. SPIEGELMAN: Thank you. I have, on Canada's list of documents, from Tabs 11 through 16, Canada was requested, on June 3rd, I believe, by the Aquaculture Coalition, for documents related to egg import and fish health testing of imported Atlantic salmon eggs. And I wanted to, in the interest of full transparency, try and get those into the record. We don't have witnesses being called that will be able to firsthand identify them, but I wonder if we could, first of all, ask the panel:
- Q Are any of you familiar enough with the actual records for egg imports that you could identify them and lay a proper foundation for documents? And perhaps, Mr. Lunn, if we could pull up Tab 15 just as an example. Is anyone on the panel familiar with these sorts of documents?
- DR. McKENZIE: This is the FHPR Fish Health Certificate required for importation, and it's a form that has to be filled out by the authority from the exporting country. So this has been filled out and signed by the chief veterinary officer in Iceland, for an importation, and he's certifying that these fish have been tested for these diseases and found to be free.
- Q And the list of diseases that are on there, that's a pretty standard list, I understand?
- DR. McKENZIE: That is the specific list that comes out of the Fish Health Protection Regulations.
- Q Right. And I don't see ISA on that list.
- DR. McKENZIE: There is also a provision under the **Fish Health Protection Regulations** where they stipulate

 "any filterable agent," so there's sort of a

 catchall phrase for any unknown disease. But that

1 is the -- those are the criteria that are currently in regulation. 3 And would ISA be caught under the other filterable 4 replicating agent? 5 DR. McKENZIE: Yes, it would. A number of these 6 conditions, depending on the method used, they'll 7 use cell culture for IHN, VHS, and the methodology 8 that's used, if there's other viruses there, 9 you're likely to pick them up. 10 DR. SHEPPARD: If I may, the particular reference to what Dr. McKenzie's talking about, I think, is on 11 12 page 7 of the Manual of Compliance, the official 13 protection regulations, where it does refer to 14 filterable agents of the importing --15 Thank you. I believe that manual of compliance is in evidence. I don't have the exhibit number 16 17 close at hand. But in the interests of time - I 18 understand I have less than one minute remaining -19 so I wonder if I could get Tab 11, or the records from the year 2000, and they go forward through 20 Tab 16, and I thought I could just enter them as a 21 22 series of exhibits and then, so --THE REGISTRAR: Mr. Spiegelman, perhaps we can enter 23 Tab 11 as Exhibit 1667; Tab 12 as 1667A; Tab 13 as 24 25 1667B; Tab 14, 1667C; Tab 15, 1667D; and Tab 16, 26 1667E. 27 28 EXHIBIT 1667: Fisheries and Oceans Canada 29 Fish Health Certificate for Cascade Animal 30 Farms, May 28, 1999 31 32 EXHIBIT 1667A: Fisheries and Oceans Canada 33 Fish Health Certificate for Cascade Animal 34 Farms, December 7, 2001 35 EXHIBIT 1667B: Government of Canada, 36 37 Fisheries and Oceans fax to John C. Davis, From Laura Richards, Subject: Request to 38 39 import Atlantic salmon eggs from Iceland 40 (Decision sought), dated October 3, 2003 41 42 EXHIBIT 1667C: Fish Health Service Report 43 for Mainstream Canada, dated March 15, 2005 44 45 EXHIBIT 1667D: Fisheries and Oceans FHPR 46 Fish Health Certificate for Stofnfiskur Ltd.,

dated July 31, 2007

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EXHIBIT 1667E: Fisheries and Oceans FHPR Fish Health Certificate for Stofnfiskur Ltd., dated May 16, 2008

MR. SPIEGELMAN: Thank you. Those are my questions. MR. MARTLAND: Thank you. Mr. Commissioner, I have counsel for the Province at 35 minutes. I think that'll take us to the midday break, thank you.

MS. CALLAN: Mr. Commissioner, Callan, C-a-l-l-a-n, initials T.E., appearing on behalf of Her Majesty the Queen in Right of the Province of British Columbia.

CROSS-EXAMINATION BY MS. CALLAN:

Q Dr. Sheppard, I understand that the Provincial Fish Health Auditing and Surveillance Program has been reviewed by the Centre for Coastal Health. Is Provincial Tab 39 the executive summary of the review, and if so, what are the findings of the review?

DR. SHEPPARD: I'm sorry, counsel, I'm afraid -- oh, thank you. I didn't have that binder in front of me. Yes, that is the external review by the Centre for Coastal Health, Dr. Jane Parmley, who is an epidemiologist and veterinarian. That independent review was commissioned by my predecessor in 2006. I didn't begin with the Province until 2007. But yes, this executive summary would contain the key points of their criticisms.

MS. CALLAN: Could we mark that as the next exhibit. DR. SHEPPARD: Specific -THE REGISTRAR: Exhibit 1668.

EXHIBIT 1668: Centre for Coastal Health, A Review of the British Columbia Ministry of Agriculture and Land's Fish Health Audit and Surveillance Program, by Jane Parmley, October 2006

MS. CALLAN:

- Q Dr. Sheppard, continue.
- DR. SHEPPARD: Did you have a specific question about anything in there?
- 46 Q What were the findings of the review?
- DR. SHEPPARD: Probably most salient, if it's possible

1 to scroll down to the third page or the end of the executive summary, yeah, page 2 of the executive 3 summary, it's a paragraph below the table. sorry, page 3 of this particular document. Below 5 the table there, I think there is an indication 6 here that -- there was some reference in this 7 area, anyway, to the -- that the audit and 8 surveillance program was -- exceeds the standards 9 of an audit and surveillance program as far as --10 Perhaps I could assist. Is it the second 11 paragraph of page 3? 12 DR. SHEPPARD: Oh yes, I'm sorry, it's above -- yes, 13 that's true. Probably the second sentence that starts, "The data collected is part of the BC Fish 14 15 Health Audit and Surveillance Program," that was 16 quite encouraging to receive. 17 MS. CALLAN: I note that Dr. McKenzie referred to 18 Provincial Tab 18 before the break. That's the 19 Code of Ethics, and I was just going to mark it as 20 the next exhibit. 21 THE REGISTRAR: 1669. 22 23 EXHIBIT 1669: British Columbia Veterinary 24 Medical Association Bylaws - Appendix A Code 25 of Ethics 26 27 MS. CALLAN: 28 Now, I understand before you left the employ of 29 the Province, that your office produced the annual 30 reports for the Fish Health Program, Dr. Sheppard, 31 and that the 2009 reports have been marked. Would 32 you agree that Provincial Tabs 6, 7, 9, 11 and 12 33 comprise the annual reports from 2003 to 2008? 34 DR. SHEPPARD: I agree. 35 MS. CALLAN: If those could be marked sequentially as 36 the next exhibits. 37 THE REGISTRAR: Tab 6 will be marked as 1670; Tab 7 will be 1671; Tab 9 will be 1672; Tab 11 will be 38 39 1673; Tab 12 will be 1674. 40 41 EXHIBIT 1670: Fish Health Program 2003 -42 2005 43 44 EXHIBIT 1671: Fish Health Program 2006, 45 Ministry of Agriculture and Lands 46 47 EXHIBIT 1672: Fish Health Program 2007,

Ministry of Agriculture and Lands

EXHIBIT 1673: Ministry of Agriculture and Lands, Animal Health Branch - Fish Health 2008, Fish Health Program Annual Report

EXHIBIT 1674: Ministry of Agriculture and Lands, Animal Health Branch - Fish Health 2008, Fish Health Program Supplemental Appendices to the Annual Report

MS. CALLAN:

- Q Dr. Sheppard, besides fish health inspections, were there any other inspections that were conducted by your office or other offices in Courtenay with respect to fish farms in the province? And if so, what were they and how many occurred per year?
- DR. SHEPPARD: Yes, as I said in my tenure with the Province, Fish Health conducted upwards of 150 or 160 individual inspections of the farms, but there were other members of the Provincial Government that did attend farms on a fairly regular basis. Those would be the fisheries inspectors. I think their goal was to visit every farm at least once each year. And the Minister of Environment staff also visited the farms. I know Fisheries and Oceans staff were also commonly seen on the farm sites as well. So yeah, the Fish Health component and its staff members were probably most -- most frequented the farms.
- Q Now, this question's for either Dr. Sheppard or Dr. Marty, depending on who feels best to answer the question. On Monday, Mr. McDade, on behalf of the Aquaculture Coalition, questioned Dr. Korman regarding whether the audit data aligned with the salmon farmers' data. Are the two databases expected to measure the same issues?
- DR. SHEPPARD: Not specifically, in the sense that our audits are, if you will, snapshots in time, whereas the information collected and submitted by the industry is much more voluminous and much more frequent, and the veterinarians and the Fish Health Management staff for those corporations were -- had their finger on the pulse most of the time. Our goal, and it probably is reflected best in the 2009 Fish Health report sorry, I don't

know what the page number is - but there's a 1 figure, I think figure 4A or 4B or 4, which would 3 reflect the findings -- the audit findings of things found inside the carcasses that we collected, whereas figure 15, I think, later on in 5 6 the document, around page 37, maybe, reflects the 7 Fish Health events reported by the industry. 8 So when you compare those two pie graphs, it 9 would, in answer to your question, counsel, is 10 that we would find similar causes of, or diagnoses 11 at the farm level, Fish Health events versus what 12 we found at the audit level, so that the numbers 13 may vary, but certainly the categories of findings 14 were -- almost overlapped completely in every 15 case. My recollection is that only one time that 16 the audit information did not find something that 17 the industry had actually reported. But again, 18 it's a snapshot in time. We're not looking at the 19 same carcasses on the same day. 20 If you could turn to Exhibit 1564, Mr. MS. CALLAN: 21 Lunn, and specifically page 19. Actually, page 19 22 of the document as it stated, so... MR. LUNN: It's the same on ringtail as on paper. 23 24 MS. CALLAN: I think the problem is that this is a 25 supplement and I'm actually looking to the main 26 report. 27 MR. LUNN: I see. 28 MS. CALLAN: Sorry, it's Exhibit 1560, and page 19. 29 Is that the graph you're referring to? 30 DR. SHEPPARD: Yes, it is. This is a reflection of the 31 diagnoses made by the veterinarians at a farm 32 level, based on our collection of fresh carcasses 33 during an audit for the entire year of 2009. 34 Thank you. Dr. Marty, on Monday, an issue arose 35 where Dr. Korman said only two of the seven 36 instances of IHN were identified. Can you explain 37 where Dr. Korman may have erred in his analysis, 38 using Exhibit 1549 BCP002850 as a reference? 39 DR. MARTY: Will you be able to bring that up? 40 I'm just working on it. MR. LUNN: 41 DR. MARTY: Okay. I think I can explain the 42 difference, if it's the document I think it is. 43 This is a very complex database, and the transfer 44 of what was on the database to Dr. Korman missed

In all of our samples, we first do the

preliminary chain reaction, or PCR test, for

something.

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something like IHNV. If it's positive, then we bring out tissues from the freezer and inoculate them onto cell culture and attempt to culture it. So the tab that Dr. Korman used was the virology tab number 4. That was the virus culture results. Because it takes a day for the samples to get to us, often the virus culture results are negative when, in fact, there still is virus there. So we actually depend on the PCR results more than we do on the virus culture results.

So if you go to the next tab, which is viral virus, and then go up to the top, the column N, Nancy, poolPCR, that's actually the column that we use for most of our reports. That's the basis that we use as the PCR test. And so this has several examples of, even though it's a negative one here, that's actually a positive PCR result. So this, I think, would equal -- probably equalize the cases that Dr. Korman was getting some negative results in one sense but seemed like we were missing them. I think if we put these together his numbers would come out a little more --

DR. SHEPPARD: If I may assist, I have reviewed this. And Mr. Lunn, if you're able to go to Tab 15 or 16, where it says Farm Diagnosis. There it is at And the top of the page, if you begin there, if you start looking at the farm diagnosis column F, there will be, I think it refers specifically to seven cases of IHN between 2002 and 2003. those are the seven cases he looked at. And then, as Dr. Marty pointed out, if you're able to change back to 4, Tab 4, Mr. Lunn, at the top of that page you'll notice, what we're looking for, specifically, is in column number J, or letter J. You'll see we're looking for -- there are two trues in that column in the top little bit there. Those are the two positive viral isolations on cell culture. This is where -- and I take full responsibility for misdirecting Dr. Korman, because he did ask me about this and I -- it's a complicated set of data, the way it's formatted. But if you, as Dr. Marty said, on Tab 5, those negative ones better reflect the pools of tissue that were analyzed using molecular diagnostics, and there you would be able to count up to seven cases that were identified and diagnosed at a farm level.

MS. CALLAN:

- Q So essentially, then, if you had used the viro virus tab instead of the virology tab, he would have come up with consistent results?
- DR. SHEPPARD: Yes, and a very understandable mistake or -- by Dr. Korman, because it is a complicated set of data to analyze.
- Now, Mr. McDade also referred to a DFO document that identified that 60 live fish were needed to be sampled to show us 95 percent confidence rate the disease wasn't present. Now, the Province takes five fresh silvers for samples in its audits. Can you describe the difference between the sampling measurements and whether or not this was effective? And this can be to either Dr. Marty or Dr. Sheppard, depending on your preferences.
- DR. MARTY: I guess I'll go on that one. The number of fish that you take depends on the goal that you have for your study. For example, Dr. McKenzie talked about import regulations. Whenever the Animal Health Centre did diagnostics for imports, for many of the veterinarians, we always ran 150. I've always assumed that that was the standard for OIE, because our goal in that situation was to certify this specific lot of fish being free from disease. The audit program is quite different. The audit program, the goal of that program is to audit the fish health events that are reported by industry. So we are not attempting to certify any individual farm free from disease.

Now, because we do five fish today and five fish tomorrow, and then over the course of a quarter we get about 150 fish a quarter, our epidemiologists tell us that we can actually add those up, and because it's a randomized sample, we're sampling fish that are the most likely to be diseased, so at the end of the quarter we have 150 fish, if they are all free of, say, ISA, we can then state with a level of confidence that we have 95 percent confidence that the prevalence of ISAV in our population, our British Columbia fish, is less than two percent.

So even though the individual farm is not certified free, we have a lot of information from the industry as a whole in the province, and that

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adds up year after year after year, so we're now at the point where we have over 5,000 tests for ISAV, all are negative, and that gives us an extremely high level of confidence that our industry is free from ISAV.

Dr. McKenzie?

DR. McKENZIE: I'd just like to add to that a little bit from my international experience. The 60 fish discussion is often when you're sampling a random sample in order to identify or find something in a population. The strategy that the Province utilizes is a bias sample, as Dr. Marty suggested. We are targeting, or the program targets silver fish, which have a -- that have died. We're not sampling live fish that are healthy. So we actually are biasing our sample to find disease which, again, increases our confidence.

In addition to that, when you're evaluating other countries for their import controls and the disease control mechanisms they have in place, you have to look at the whole picture of the disease mechanism that you have in place. So the Provincial program does not stand alone as a sampling program. It is an additive program. is essentially a quality control system for the day to day farming observation and surveillance that occurs every day on farms. So every day we're looking at clinical signs of disease. doing tests, we're doing evaluations. The numbers and the support of information the Provincial program has adds onto that confidence by selecting onto a bias sample where your mortality in your silver fish are going to have a higher percentage of disease than your healthy fish swimming in the population. You further strengthen your numbers.

So by adding all these mechanisms together, you end up with a very robust system, and this is why evaluations of the program have been, as Dr. Parmley mentioned in the assessment of the program, meet and exceed international standards, because there's so many layers of confidence.

- Now, Dr. Marty, before the transfer the Province monitored for viruses, can you outline how they monitored for viruses and roughly what number of samples were being taken per year?
- DR. MARTY: Exhibit Number 1471, if that could be brought up, that will give us a summary that I

mentioned earlier. With the Fish Health Audit and Surveillance Program, we routinely test all the fish that are sampled. Sometimes we'll pool fish, up to five fish per pool, for the test, and that's an international standard. We have some diseases that are what we call endemic in British Columbia. They occur in wild fish and occasionally they can get into our farm fish. The one we test for is viral haemorrhagic septicaemia virus. That occurs every year in a few farms. Another is infectious hematopoietic necrosis virus. We've not had a case of that since 2003. And that's very devastating to the Atlantic salmon. The previous virus I talked about may kill a few salmon, but it tends to be what we call self-limiting; it just goes away after a while.

Then we have exotic diseases that we don't have in British Columbia. One of them is infectious pancreatic necrosis virus, and all tests have been negative for that, and they're listed here. The other virus is infectious salmon anaemia virus. It has had the most interest in these proceedings. And again, all these tests were negative for that.

Finally, we have a primitive bacteria that has to live inside cells, and that's called *Piscirickettsia salmonis*. This is another one that we occasionally see in our fish in British Columbia. There's a variety that's very severe in Chile, but we do not have that variety in British Columbia, but we do test for it, and our test would pick up the Chilean strain if it were to appear in our samples. So that's the main reason we have that, because there are a more significant strain of this organism elsewhere, and we do occasionally get some positives for that organism.

DR. SHEPPARD: Ms. Callan, if I may add, on the note of -- on the precautionary note, the program, the Audit and Surveillance Program is very precautionary in following the requirements and expectations of the international community, the World Organization for Animal Health, the OIE. In their manual of disease detection tests, I think it may be chapter 1.14, that chapter speaks to freedom of infection, and it's accepted by the World Organization and leading experts, virologists, veterinarians, be they federal or

provincial or private, there's agreement that British Columbia has freedom of infection of a number of these exotic pathogens that Dr. Marty just mentioned.

So the program is designed with a confidence of 95 percent at a two percent prevalence. I don't want to get into the statistics, because I'm not a statistician. But it's designed every quarter to test for this in a meaningful manner to continue to support that we have freedom of those infections.

Now, over time, of course, if you start looking at historical information, that confidence, intuitively, you can tell that confidence level rises from 95 percent upward, because each quarter we continue to not find it. In addition, the two percent prevalence intuitively can fall, get more toward one percent or even less than one percent because, again, each quarter we continue to not find it. So this is why, I think, the independent epidemiological studies have supported that the program currently as it's designed should provide the public confidence and the international confidence for trade out of B.C. and out of Canada, that we have freedom of infections.

- And Dr. Marty, there's reference in some of your reports to sinusoidal congestion. Can you describe what this is and if you would consider the presence of sinusoidal congestion of haemorrhaging, or both, enough to found a diagnosis of infection salmon anaemia?
- DR. MARTY: Sinusoids are the special name for capillaries in the liver. Congestion is just expansion of the size of the capillaries by blood So sinusoidal congestion is just cells. engorgement of the capillaries in the liver. Sometimes this can appear as distinct, round, foci that can actually be seen by the fish health technicians in the field. So they submit that to me, I make a diagnosis, and I have a standard comment that I use, that I discussed before. based on the information that is shown here on this exhibit, I can be very confident that even though in Europe this might be a concern for ISAV, I can be very confident in British Columbia that ISAV is not the cause.

Q Now, if we turn to Exhibit 1540, page 24 to 25, Dr. Dill says, and I'll just add "ISA," and then the quote is:

...is an important viral disease of farmed Atlantic salmon in some parts of the world (Europe and Chile in particular). No records of it can be found in the BCMAL or BCSFA records, and according to M. Sheppard (personal comment) there have been "no suspect cases of ISA in BC since sampling began in 2003". However, in his diagnostic reports on dead fish collected from salmon farms Dr. Gary Marty (fish pathologist with BCMAL) reports "classic symptoms of ISA" -

-- and he references BCP002864, and then goes on to say:

Can you respond to this statement and provide me

- which according to the World Organization of Animal Health (OIE) should make any one of these what they call a 'suspect case'. These "classic symptoms", according to the BCMAL document, are sinusoidal congestion of the liver and interstitial hemorrhage/congestion of the kidney.

your opinion on whether Dr. Dill has appropriately quoted you and whether or not the documents he refers to are actually suspect cases of ISA?

DR. MARTY: Well, the first sentence, he describes ISA is an important viral disease of farmed Atlantic salmon in some parts of the world, and I do agree with that. Regarding the quote "classic symptoms" of ISA, I looked through my reports and I don't actually use that terminology. I think I use something like "a classic lesion" of ISA, and that's just a somewhat wording difference.

I think Provincial Tab 31 has an affidavit that I produced that described quite a bit of how

that I produced that described quite a bit of how we approach this sinusoidal congestion issue, and on page 55 of that document, this is the, I believe, OIE manual that describes infectious salmon anaemia, so this would be the document, page 55, I thought, but it may be different on ringtail than that. It's titled, Infectious

Salmon Anaemia. So if you just go down on -- page down, page down, I think it's a page down from there, but I'm just going to quote from the clinical methods in gross pathology for ISAV, they say, "No lesions are pathognomonic to ISA". And so what that means, as Dr. McKenzie referred to, is there isn't a single thing, if you see it, you're sure it's ISAV. So that's one important point.

If we continue in that same document - okay, that looks like it - that would be page 226 on the actual document that you can see in the bottom left-hand corner there, and item 4.2 Clinical Methods, Gross pathology, and you can see that first paragraph, second line, "No lesions are pathognomonic to ISA". So in the same document, if you just go to page 232 of that document, so, I think, six pages, and down at the bottom of the page, under Definition of a suspect case, and item i) so it mentions:

Clinical signs consistent with ISA or pathological changes consistent with ISA...

So because there's no specific lesion that's pathognomonic for ISA, you actually need a suite of lesions, or suite of changes. You need more than one. So a single finding of sinusoidal congestion is not sufficient.

The other point that's important here is I just have a limited amount of information on the farms. So I provide -- I am part of a diagnostic team that helps diagnose animal health in the province, so I'm providing my results to the veterinarians, and they use their expertise, as Dr. McKenzie described, to look at mortality patterns and other things that he has described, to determine is this, indeed, what we call reportable suspicion of ISA.

Reportable suspicion of ISA is different than just as may be an outlier differential diagnosis. We want to report to CFIA things that are actually of concern from our perspective as a pathologist or as a clinician we think might be there. To report every time the fish had sinusoidal congestion would not be helpful for the international regulatory bodies. That's why we're

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 experts. We're supposed to look at the whole picture and come to a decision whether it needs to be reported. And because, as Dr. McKenzie mentioned, many fish diseases have the same lesion, we're actually in the process, now, of trying to cleanly define what it is that we see that we need now to report to CFIA.

Fortunately, all our audit cases, because they always have a PCR test and it's always negative, the PCR test is what they would use to rule it out. So when we have a PCR test and it's negative, and even if I see some suspicious signs, then I wouldn't report on that basis. Dr. Sheppard may receive my results and have some other information to suggest that there's a problem with our PCR test. That's part of the back and forth that we have as professionals and part of the way that we gain confidence in each other. If he has questions, he can ask me, or he may just report it directly to CFIA.

- Q Now, earlier in these proceedings, Ms. Morton has referred to 111 reported incidences of ISA. Is this the same issue?
- DR. MARTY: I think she might have even reported a few more instances of ISA.
- MR. McDADE: Excuse me just for a second. I don't think Ms. Morton has testified before this proceeding yet.
- MS. CALLAN: Well, she has provided some documentation which is in an exhibit as QQ.
- MR. McDADE: Well, if we have that up on the screen, is that signs of ISA or symptoms of ISA compared to ISA? The way you put the question was a little too general, I think.
- MS. CALLAN: Okay. Well, she has reported 111-plus reported classic lesions associated with ISA.
- MR. McDADE: Yes, that's far better.
- MS. CALLAN: Okay.
 - DR. MARTY: So that would be Provincial Tab 2?
- MS. CALLAN: If we can mark Dr. Marty's affidavit as the next exhibit.

42 THE REGISTRAR: 1675.

EXHIBIT 1675: Affidavit #2 of Dr. Gary Marty, affirmed April 26, 2011

MS. CALLAN:

Now, Provincial Tab 15 is the document from the 1 OIE in a much more easy to find format; would you 3 agree with that? 4 DR. MARTY: Yes, that's the same as in my affidavit. 5 MS. CALLAN: If we can mark that as the next exhibit, 6 please. 7 THE REGISTRAR: 1676. 8 9 EXHIBIT 1676: Chapter 2.3.5 infectious 10 Salmon Anaemia 11 12 MS. CALLAN: 13 We're just switching topics, now, to marine 14 anaemia. Can you describe your understanding of 15 marine anaemia or plasmacytoid leukemia? 16 DR. MARTY: Marine anaemia I see as a clinic syndrome, 17 and so it's not something that I would diagnose. 18 And maybe Dr. Sheppard might just give a little 19 idea of what the clinical syndrome is, what 20 science he sees when he's out on the field. 21 DR. SHEPPARD: I would agree with Dr. Marty in that the 22 -- and as we heard Dr. Kent and Dr. Stephen 23 testify last week, that it's debatable what that 24 syndrome is and what causes it. The term "marine 25 anaemia" is just simply a morphological 26 description of a fish in the water that doesn't 27 have enough blood cells to circulate blood. 28 are many, many causes for that. The specific 29 lesion is plasmacytoid leukemia, which is an 30 amplification of white blood cells that seems to 31 be out of control. So in that sense, it's not 32 immunosuppressive. It could be debated that it's 33 actually an excess of immunostimulation. And I 34 think that was part of the thesis from Dr. Stephen 35 that, "what is disease," that it may just be an 36 indication of inflammation.

So I could speak to this topic somewhat, because I was one of the early veterinarians. The last 20 years has gone by quickly, but I was at the farms with Dr. Kent and Dr. Stephen at the time that these papers were written back in 1990 and '93, for example, and the clinical signs that we would see in affected Chinook salmon are very obvious. So these fish are grossly — the gross pathology is very evident. Some of the signs overlap with other indigenous infection, such as bacterial kidney disease, or the *Rickettsia*, the

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Piscirickettsia infection. And so there are some field tests between the gross pathology, the experience and the histology or the history of the farm. There are some quick and easy tests that would help to determine whether it was a bacterial kidney disease that was causing these lesions or whether it was the Rickettsia causing these diseases. And then often that those lesions would be collected and sent to a pathologist to confirm that.

So in short, the diagnosis of plasmacytoid leukemia is really quite easy to determine at the farm and the gross clinical examination.

Q Okay.

- DR. MARTY: And the other point is that if you have a diagnosis of bacterial kidney disease, or *Piscirickettsia*, then you do not give a diagnosis of marine anaemia. Those are not the same thing.
- DR. SHEPPARD: That's correct.
- Now, Ms. Morton has prepared some graphs outlining marine anaemia in Chinook and Atlantic salmon, at Provincial Tab 2. What are your thoughts on the graph that was provided by Ms. Morton and, specifically, what are your thoughts on ISH symptoms being equated with marine anaemia symptoms in Atlantic and Chinook salmon?
- DR. MARTY: To answer that question, Mr. Lunn, could you bring up Exhibit 1549.
- MS. CALLAN: And that would be BCP002864.
- DR. MARTY: In the interest of time, I've brought up the database that was discussed on Monday in quite detail, and what I've asked Mr. Lunn to do is, as a pathologist, I'm the one who created this entire database, filled in every one of those numbers. And so after a while I kind of get a feel for if I see one thing there's often something else associated with it. These aren't independent things over time.

So what we're going to do here is I'm going to have a hypothesis. As Dr. Sheppard mentioned, this ISH is just increase in blood-forming cells in the kidney. And I'm going to have a hypothesis that I think these might be related to bacterial kidney disease, or *Piscirickettsia*. So I've asked Mr. Lunn to go ahead and collapse the columns that aren't necessary for those diagnoses, and we're just putting the focus, here, on the RS category.

So if you could just click through those, and it is the -- and I think he's just going to click "undo" or "redo" unless they disappear. Okay. 3 MR. LUNN: I'm trying to do that. It looks like all of 5 our changes have disappeared. 6 DR. MARTY: All right. So Plan B, what I want you to 7 do is go to the -- go home --8 MS. CALLAN: Maybe if I could interrupt you. Could I 9 just get the highlights, since I'm starting to run 10 out of time? 11 THE COMMISSIONER: Ms. Callan, I think --12 DR. MARTY: Okay. 13 THE COMMISSIONER: May I just interrupt? I apologize 14 to you for that. I'm going to take the break now, 15 and if Mr. Lunn can address this issue, it might 16 be more helpful for me. 17 MS. CALLAN: Okay. 18 THE COMMISSIONER: Thank you. 19 THE REGISTRAR: The hearing is now adjourned until 2:00 20 p.m. 21 22 (PROCEEDINGS ADJOURNED FOR NOON RECESS) 23 (PROCEEDINGS RECONVENED) 24 25 THE REGISTRAR: The hearing is now resumed. 26 MR. MARTLAND: Mr. Commissioner, I've simply moved to a 27 different mike so that Ms. Callan has the same 28 She's got a further two minutes of questions one. 29 to conclude, and then we'll move immediately to 30 Mr. Blair for the Salmon Farmers Association with 31 30 minutes. Thank you. 32 33 CROSS-EXAMINATION BY MS. CALLAN, continuing: 34 35 Dr. Marty, if we could turn back to Exhibit 1549 36 and BCP002864 for your answer on whether or not 37 ISH symptoms are -- what your thoughts are on ISH symptoms being addressed in marine anaemia. 38 39 DR. MARTY: Okay. What I've done is ask Mr. Lunn to go 40 ahead and just collapse the spreadsheet and sort 41 the ISH scores from most severe to least severe. 42 And what he's done here is highlighted, there are 43 actually no severe cases, a score of 3, but he has 23 cases with a score of 2. Now, if you go down 44 45 the "Cause of Death" list on all of these, you'll 46 see that there is, for example, "HRS", Heart

Renibacterium salmoninarum or bacterial kidney

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disease, and then there's just -- you go down the row and there's several "RS"s. There's one "BHM" on line 37, but if you look over at the "KRS" line, there's actually a severe kidney, this is bacterial disease.

Keep going down further, every one has a cause of death that's either "RS", there are a few that are "PS", which is Piscirickettsia salmonis. Dr. Sheppard mentioned that those are two causes that can cause ISH. So in this case we have a cause of death for every one of these fish, and so we don't need to use the diagnosis of marine anaemia at all, and in fact these are not marine anaemia like, that would not be an appropriate way to designate them because we have another cause of death in stead of marine anaemia.

And my last question is if you could turn to Tab 45 of the Province's book of documents. an email that you wrote to Dr. Miller?

DR. MARTY: Yes.

MS. CALLAN: If that could be marked as the next exhibit.

THE REGISTRAR: Exhibit 1677.

EXHIBIT 1677: Email from Gary Marty to Kristi Miller-Saunders Re: FINAL "unblinded" FR sockeye histopathology results 2011-2111, June 27, 2011

- MS. CALLAN: And that's all the time I have, so those are my questions. Actually, one point. If Mr. Lunn could save the amended Excel spreadsheet as a new document, that might facilitate manipulation of the data, so it would always appear the same way.
- MR. LUNN: Did you want to mark it, as well as...
- MS. CALLAN: Yes, I'd like to mark it as an exhibit.
- THE REGISTRAR: That last document, Ms. Callan, was there two documents there? We feel that it has been marked before.
- MS. CALLAN: The document I'm referring to is BCP002864, and Mr. Lunn modified by hiding some columns.
- MR. LUNN: We're talking about Tab 45, sorry, that's on the screen right now.
- MS. CALLAN: Oh, yes, that one needs to be marked as an exhibit, as well.

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THE REGISTRAR: So this is a separate document, independent of the other one.

MR. LUNN: We believe this has been marked previously.
MS. CALLAN: My understanding is that Mr. McDade didn't
mark it because we didn't have a clean copy yet,
so this is the clean copy of that.

THE REGISTRAR: Thank you. Now, the second document you wanted marked will be marked as 1678.

EXHIBIT 1678: Excel spreadsheet Data Sort for BC - Dr. Marty 01 - BCP002864 Histopathology detail

THE COMMISSIONER: Mr. Blair.

MR. BLAIR: Thank you, Mr. Commissioner. For the record it's Alan Blair, appearing for the B.C. Salmon Farmers Association, and with me is my associate, Shane Hopkins-Utter.

CROSS-EXAMINATION BY MR. BLAIR:

Q Gentlemen of the panel, I'll start with an opening question, if I may. Would you all agree as experts in the area of management of fish health and aquaculture that you have a high confidence that the risk of disease in salmon farms is manageable with appropriate care and attention? Right to left, perhaps. Dr. Marty.

DR. MARTY: Yes.

Q Dr. McKenzie.

DR. McKENZIE: I do.

Q Dr. Sheppard.

DR. SHEPPARD: I agree.

Q Not "Dr.", but do you have an opinion on that from a management perspective, Mr. Swerdfager?

MR. SWERDFAGER: I agree.

- Q Thank you. Mr. Lunn, would you be kind enough to go to B.C. Salmon Farmers Tab 20, please. This question -- just one second, please.
- MR. MARTLAND: I think in our binder we may have a different document at Tab 20, which would be a Briefing Note for the Minister, For Information. I don't know if that's what Mr. Blair had, or, Mr. Lunn, if we might try that. I'm sorry, 21.

MR. BLAIR: Mr. Lunn, are you at B.C. Tab 20?

46 MR. LUNN: This is 21 on the screen.

MR. BLAIR: I was asking for 20, I'm sorry. It may

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have been my mistake. I think I'm going there
eventually. Thank you. That looks better. Could
you go to page 2, please.

Dr. Sheppard, you see this is a document that you

Q Dr. Sheppard, you see this is a document that you prepared as a briefing note to the Minister. The date on the first page is August the 1st, 2007. Do you agree, Dr. Sheppard?

DR. SHEPPARD: I agree.

And in this document you referred to some of the issues which were arising in the aquaculture industry in Chile. And if we could go back to page 1, please, Mr. Lunn, the passage immediately above in bold "First Nations Considerations". If you could highlight that paragraph of "Discussion". Dr. Sheppard, you referred to a number of issues which were happening in the Chilean farm salmon industry at the time, and the bottom sentence after you highlight the things that were going on in Chile, you note:

These high-risk activities are not allowed in [British Columbia].

Do you see that comment?

DR. SHEPPARD: I do.

Q And that was the case in 2007 and those activities are still not allowed in British Columbia in 2011?

- DR. SHEPPARD: Mr. Commissioner, as you're aware, these briefing notes sometimes are drafted and then go places after me. But I have to admit that this one, to my recollection, was done -- and sometimes these briefing notes take some time to develop before they get sent along, and this was done in a fairly rushed manner, based on a media report, I think the day previous. And that particular statement I would probably tend to word more accurately now.
- Q We'll take you to the second page of the document. The document essentially relates to the issue of ISA and egg importation. If we go to page 2, please. Thank you. If you could have a look at the first two paragraphs. The first paragraph starts with "Company veterinarians" and the second one "The most likely source of ISA". If you could read those two paragraphs, and comment on them, please, Dr. Sheppard.

DR. SHEPPARD: The first bullet reads:

• Company veterinarians and BCMAL's fish health audit and surveillance program is well suited to detect any viral problems, including [ISA virus] ISAv, at fish farms as early as possible.

I agree with that statement.

 Q And the second paragraph into the record, as well. DR. SHEPPARD: The second bullet reads:

 The most likely source for ISA in BC is from migrating wild fishes from other regions of the Pacific Ocean as there is no importation of live Atlantic salmon or eggs to BC.

Minister, For Information, August 1, 2007

MR. BLAIR: And I wonder if this could be marked as the next exhibit, please.

THE REGISTRAR: Exhibit 1679.

EXHIBIT 1679: Sheppard, Ministry of Agriculture and Lands, Briefing Note for

MR. BLAIR:

Q And now, Dr. McKenzie, my questions now are for you. With this document on the screen as Exhibit 1679, can you comment on the remarks that Dr. Sheppard made in 2007, and in particular can you comment on the ability of company veterinarians and the auditing staff to detect viral problems on farms, such as an occurrence of ISA.

 DR. McKENZIE: Mr. Commissioner, sorry to go back on topics that I've addressed a little bit before, but I'm very confident that veterinarians and the auditing program would detect ISA for the specific reasons I discussed before, which was the multitiered approach we have for fish health management. We start off at the farm level where the veterinarian and the technician are on a daily basis monitoring for disease and any changes in

trends or mortality, veterinarians such as myself that are skilled in detecting ISA, recognizing some of the early clinical signs and the

appropriate sampling methodologies and diagnostic tests that will be required.

The next level of that program is then an

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1 auditing program where the province, and now DFO comes in and does additional sampling on top of 3 what we do on a regular basis, searching for silvers, so targeted sampling, that is biased 5 towards finding disease. On top of that level we 6 -- and they do analysis at that level, so --7 sorry, they do analysis for ISA at that level. 8 All of this combined meets what is the 9 international standard for detection of disease or 10 freedom from disease. And because these standards 11 can meet that level, the OIE recognized level of 12 diagnostics, I feel very comfortable that the 13 program that we have in place would detect the 14 virus if it was to occur. 15 MR. BLAIR: Thank you. Mr. Lunn, could we go to B.C. 16 Tab number 3, please. 17 MR. LUNN: B.C. Farmers you mean? 18 MR. BLAIR: B.C. Farmers. 19 MR. LUNN: I thought you mean Province. 20 MR. BLAIR: I'm sorry. I'm 0 for 2 with you this afternoon, Mr. Lunn. We'll try to improve. B.C. 21 22

Farmers Tab 3, the top will look like this. Thank you. we go.

This question is for Dr. McKenzie. Dr. McKenzie, I'm going to suggest that this document, which goes on for several pages, is available on a B.C. Salmon Farmers Association website and addresses the issue of "Fish Health", and what is done by a salmon farmer to maintain healthy fish, and the health-related measures that are taken on the farms in British Columbia, as well as the role of the fish health veterinarian. I assume you're familiar with this particular document?

DR. McKENZIE: I am.

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MR. BLAIR: Could we mark it as the next exhibit, please.

THE REGISTRAR: Exhibit 1680.

EXHIBIT 1680: B.C. Salmon Farmers Association website printout re "Fish Health"

MR. BLAIR: Thank you.

- Can you comment just briefly, sir, on some of the items which are highlighted in this document.
- DR. McKENZIE: Just highlighted at the top, or...?
- You know what, in the interests of time, we've had it filed, we can read it. We'll move on.

Dr. McKenzie, my questions now relate to your knowledge of the management of fish health and the considerations that you take into account as a -- as a fish health professional and as a fish veterinarian, the strategy you use and your incorporation of various management systems. And I'm thinking in particular of ecosystems management and area management and mitigation strategies. Can you expand a little bit on how fish health management is done at your particular company and the industry generally, please.

- DR. McKENZIE: So not specifically the technical aspects, like...
- Q No, just the reference that I understand from the profession that the use of ecosystem management and area management and the like.
- DR. McKENZIE: Yes. So I've already touched on a little bit of the fish health management plan and the specific items that fall into that. Now, that's a guidance document for how we how we manage our day—to—day working activities and how production strategies are done. Now, into the bigger picture of how we manage disease is we always have to manage disease in a very holistic perspective. We have to be monitoring the we monitor the environment very closely as it has great influence on our fish health.

We monitor fish -- a lot of aspects of our fish, but in a big picture we manage on an area basis, so we are conscious of diseases that are found in the wild stocks, very important to us. We don't have a lot of knowledge about what exactly is in the wild stocks, many times, but it's very important that we understand what is present, what could be exposed to our fish.

We also manage our farms on an area basis, so that we are looking not just within a pen. We're not blind, we're not operating in a fish health perspective in a vacuum. So we don't see our farm as that. We look at interactions in the environment. We often consider migratory pathways and how we manage fish. We consider different aspects of whether it be algae blooms, or changes in the environment that may impact how we do our — use our production strategies. Where we enter fish, what times of year we will enter fish in order to minimize exposure to, say, blooms of

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 jellyfish, or plankton, or -- so we're very conscious, and we have to manage it in a very large way.

In some of the specific aspects of our farm management, we have a very close relationship with other companies in the area so that we can have a very open communication about issues and how we manage our farms together so that we are -- we are monitoring areas and understanding if there's any changes in those areas.

- Thanks, Dr. McKenzie. Mr. Lunn, we'll try B.C. Salmon Farmers Association Tab 10, please. If you could put that on a split screen with B.C. Salmon Farmers Tab 35, as well. Dr. McKenzie, as these are being queued up on the screen, we've highlighted on the screen a report prepared by Dr. Ron Lewis for the B.C. Salmon Farmers Association, and I'm also asking Mr. Lunn to bring up the curriculum vitae of Dr. Lewis. I'm going to be seeking to have the curriculum vitae marked only for identification, Mr. Commissioner, but I'd ask Dr. McKenzie to quickly run through the credentials of Dr. Lewis.
- DR. McKENZIE: Dr. Ron Lewis is a veterinarian. He also has a Master's degree in Pathology, and he has a diploma from the American College of Veterinary Pathologists. His experience, he has over 25 years of experience as a veterinarian, working in the B.C. Ministry of Agriculture and Lands, and between the time of 1999, I believe, and 2009, he was the Chief Veterinary Officer for the Province of B.C., as well as the Director of the Animal Health Branch.
- MR. BLAIR: Could his c.v. be marked as the next for identification, the next lettered exhibit for identification.

THE REGISTRAR: That's Tab 35 you're referring to? MR. BLAIR: Yes.

THE REGISTRAR: Yes, that will be marked YY, double "Y".

YY FOR IDENTIFICATION: Abbreviated Resume of Ronald John Lewis

MR. BLAIR: Thank you. Thank you, Mr. Lunn. You can take that off the screen so that we can see more fully the paper, the Tab 10. Thank you.

- Q Dr. McKenzie, can you explain to the Commission the history of this paper, how it was created and for what purpose and on whose instructions?
- DR. McKENZIE: Mr. Commissioner, we recognized that there was a number of diseases identified by Mr. Kent in his expert report that he considered high level risk.
- Q And when you say "we", do you mean yourself and the (indiscernible overlapping speakers).
- DR. McKENZIE: The B.C. Salmon Farmers Association, sorry. I'm part of a committee that is -- has been organizing efforts on the B.C. Salmon Farmers committee for the Cohen Commission. We identified the need to look into these diseases and how they relate to aquaculture. Because Dr. Ron Lewis, who was the Director of the Animal Health Branch, and therefore he has overseen the development of aquaculture program as far as fish health is concerned for the last ten years, we asked him -as a result, we asked him to look at the diseases of high risk and to look into their occurrence in the aquaculture industry with the idea of looking at risk, what was present in -- on farms and what sort of mitigative actions were taken by farms to control these diseases.

Now, in summary, if -- so he, in this document, he has gone through each of the diseases that were identified as severe, I believe was the terminology Kent used, or high risk, or I'm not -- I believe it's high risk. He went through the six agents that were considered high risk for sockeye salmon and explained their existence in the aquaculture industry, and whether they occur, and what steps.

If we can -- if we can go to page 3, the second paragraph down, where it starts "Of the high-risk" diseases. So in his conclusion, from assessing the prevalence of these diseases on farms, of the high-risk diseases identified by Dr. Kent, the salmon farm industry, really there was only two that appeared to be a possible source, and these are the IHN and BKD.

IHN would be -- is a factor, it's present in the wild, and we know it's been present and has been previously mentioned through these discussions that there has not been a positive IHN since 2003 on any farm. And it has been

documented in the past that they are quite -- sockeye salmon, adult sockeye salmon can be resistant to this virus.

But BKD is the other pathogen that was identified, and it occurs mostly in chinook and coho salmon. And as he mentioned here, the prevalence is diminishing, which is consistent with what has been seen in the database, and basically the prevalence has been diminishing because of strategies around breeding programs and screening programs for brood stock to minimize any sort of vertical transmission.

- Dr. McKenzie, I see on the following page 4 of 4 it's signed by Dr. Lewis and dated August the 10th, 2011, so this is a very recent report.
- DR. McKENZIE: Yes.

- Q It's also a very short report. My question to you now, sir, is as an expert, fish health expert, have you read and do you adopt the findings of the report of Dr. McKenzie (sic), which is exhibited on the screen today?
- DR. McKENZIE: I do, I think it's a very good summary.
 MR. BLAIR: Mr. Commissioner, we're seeking to have
 this marked as the next exhibit.
- MR. McDADE: We object, Mr. Commissioner. My friend has nothing but if he's not persistent. This is a backhanded way to try and get his expert report in. We had a number of experts that we wanted to have called. The Commission has ruled that we can't do that, it would be wrong to allow my friend to do it and not allow us to do it. We've been over this before. I don't think we need to take a lot of time.
- MR. MARTLAND: Mr. Commissioner, unless there's an application I'm not familiar with, the Commission hasn't ruled. Commission counsel have given their view on what we're prepared to do. We've communicated a hearing plan. I don't believe anyone has brought an application to have a further witness called vis-à-vis aquaculture or disease hearings. We would suggest that as has been the case very broadly through many of these hearings, if the document is used to ask questions, as has been done, if ultimately questions with respect to its use or its weight, without having heard testimony from the author, and in the absence of cross-examining the author

of the report, or considerations in terms of the ultimate use or weight to be given to the document, my submission would be that, broadly speaking, it's been a liberal approach to admissibility in terms of documents that are put forward. And on that footing, our suggestion would be that this document can be received into evidence.

THE COMMISSIONER: I can save you some time, I think, Mr. McDade. I thank you for that, Mr. Martland, but there's a number of documents now that have been marked for identification purposes that at some juncture are going to have to be dealt with. And this particular document may or may not fall into the category of some of those documents, but my preference would be that it be marked for identification purposes at this time. And there will be an opportunity at some point, either as a separate submission or in the final submissions, to deal with whether or not the documents marked for identification purposes ultimately should be received in evidence, and counsel can make their submissions at that time. I think it should be marked for identification purposes, because it has been used to examine this witness, just as I think the credentials of Dr. Lewis were marked for identification.

MR. BLAIR: If I may speak to that further, Mr. Commissioner, we specifically marked the credentials for identification because I think that's the appropriate use of them. The Commission counsel, the participants should understand who this is written by, and nothing more. It's a backgrounder.

What distinguishes this report and from the others that Mr. McDade has suggested that the B.C. Salmon Farmers have been persistent on, is this is the first time we've had a B.C. Salmon Farmers applicant, a participant here, and he's a fish health professional. He's an expert. He is no different, I say, than any other experts in any other forum where he has said I have read and I adopt the report. We didn't put that test for the other reports to the witnesses previously. This report speaks to Dr. McKenzie's expertise.

The history again, I think, very briefly bears some -- and I realize I'm taking up my time,

but we've all tried to have experts entered on the panels and we understand that the time just does not permit that.

My client is in a unique position. unique position for a couple of reasons. Early in the process the Commission, when asked whether or not there could be findings of fault, concluded that in some circumstances there could be findings of fault. My client is listed in the terms of reference as a matter that the Commission should look into to determine whether our client, the B.C. Salmon Farmers, may have contributed to the decline. I think that puts us in a fairly unique position, where when you're entitled to look to see whether we may have caused the decline, we should surely be entitled to have evidence entered, particularly where there can be a finding of fault.

I did look up the Rules of Procedure and I understand the oddity is that Rule 38 of the Procedure would permit this report to be filed as a public submission on the website. There's nothing precluding it. Indeed, I think the Commission, it says, can look at any public submissions. Now, that seems like a backdoor way of getting evidence before the Commission.

I think in fairness to my client, and also to the participants here, they ought to know that my client takes these matters very seriously. You've heard, Mr. Commissioner, that these are very technical documents, these massive spreadsheets and fish health databases. In an effort to make this understandable for the Commission, we've had these reports prepared by recognized fish health experts.

I regret we're taking up the time for the debate, because to me it seems so clear that when it's been read and adopted by an expert witness, I don't understand why it would be excluded.

I appreciate that we might argue this later, but we are rapidly losing the opportunity to have the exercise as we have today with an expert who can actually on the stand say "I'm an expert. He's an expert. I read it. I have adopted it."

I know that Mr. Taylor wants to have a moment, and I'll yield the microphone to him. MR. TAYLOR: I'll be quick. There's a case called

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Marquard - I mispronounce it, which I'm not familiar with. I sense from your nod you are, Mr. 3 Commissioner - which says in short that, as I understand it, that if an opinion is put to an 5 expert on the stand and he adopts the opinion, the 6 opinion can go in as evidence. And so this is 7 distinguishable from some of the other material 8 that's been coming before you, in that sense. 9 THE COMMISSIONER: Yes, thank you for that, Mr. Taylor. 10 I think your last few remarks are exactly why I 11 want to take the step of marking this for 12 identification purposes. I want to have the 13 opportunity for not only counsel who are here 14 today, but other counsel who are not here today, 15 where in the case of the particular sessions they 16 attended, these same kind of issues may have 17 arisen so that everyone can have a fair 18 opportunity to make their submissions on the 19 question of whether documents marked for 20 identification should be entered. There may be similar cases to yours, Mr. Blair, where other 21 22 counsel are not here today who may wish to address 23 this. And I'm trying to deal with this fairly. 24 I'm not intending to rule on this today. 25 not intending to in any way prohibit you from 26 asking the questions like the ones you've just 27 asked. But my preference would be to give 28 everyone an opportunity to give me their views on 29 these categories of documents that don't all fall 30 into the same case, although they've all been 31 marked for identification purposes. That's really 32 the intent of my remarks to you. So I'm not 33 ruling against you, sir. I simply wanted to be 34 cautious here to make sure that all counsel, even 35 those who are not here today, may have an 36 opportunity to take a position, as Mr. McDade has, 37 and others might follow suit with him. 38 to hear from them, as well. 39 MR. BLAIR: Thank you for that additional 40 clarification. 41 THE REGISTRAR: That document will now be marked as for 42 identification as ZZ, double "Z". 43 44 ZZ FOR IDENTIFICATION: Lewis, Infectious

Diseases and Potential Impacts on Survival of

Fraser River Sockeye Salmon, August 10, 2011

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Cross-exam by Mr. Blair (BCSFA)

Thank you. 1 MR. BLAIR: 2 Mr. Lunn, B.C. Salmon Farmers Tab 13. Dr. 3 McKenzie, these questions are for you, and I'll 4 just lead you a little bit on this. This is 5 another report prepared as the last one, and also 6 by Dr. Lewis, correct? 7 That's correct. DR. McKENZIE: 8 And it was specifically, as the title might suggest, the question of whether or not sea lice 9 10 could act as disease vectors. And you've read 11 this report? DR. McKENZIE: I have, yes. 12 13 Can you summarize it briefly. 14 DR. McKENZIE: In this report Dr. Lewis looks at the 15 literature that's available on substantiating 16 whether or not Lepeoptheirus, sea lice, are 17 capable of either acting as a vector of disease, 18 or in other fashions and what diseases may be, 19 with the idea of looking at the potential risk in 20 the B.C. situation. So in this case he has looked 21 at the diseases in his summary. He has -- he has 22 looked at the diseases that are -- sorry. In his 23 summary he's evaluated the potential for sea lice 24 to be a vector or transmit disease. He agrees in 25 this situation that sea lice can act as a 26 potential transmitter of disease, but more than 27 likely as a mechanical transmission versus a 28 vertical transmission. 29 MR. BLAIR: Thank you. Could this be marked as the 30 next for identification, please. 31 THE REGISTRAR: For identification? 32 MR. BLAIR: Yes. 33 THE REGISTRAR: That will be triple "A", AAA. 34 35 AAA FOR IDENTIFICATION: Lewis, Sea Lice -36 Could They Act as Disease Vectors? July 19, 37 2011 38 39 MR. BLAIR: Mr. Commissioner, to speed it along, of 40 course, I think the Commission knows I wish to 41 mark it for an exhibit. I don't want to go 42 through the charade of being overruled, so in all 43 cases, including the next one, I seek to have them

marked as an exhibit, but I take your earlier

mark them for identification.

THE COMMISSIONER: Thank you very much.

ruling and therefore I'm asking the registrar to

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1 MR. BLAIR: Thank you. 2 B.C. Salmon Farmers Tab 4 -- it's actually 3 identification OO. This is also for Dr. McKenzie. 4 This is a report prepared by Dr. Hammell, and 5 again it's in the same category. This report was 6 prepared at the request of the B.C. Salmon Farmers 7 to assist the Commission in understanding, as the title might suggest, "Qualitative assessment of risk, and mitigation, of importing exotic disease 8 9 10 through eggs"; is that correct? 11 DR. McKENZIE: Yes. This document was prepared by Dr. 12 Larry Hammell, as you suggested. 13 And have you had an opportunity to read this 14 report? 15 DR. McKENZIE: I have. 16 Can you summarize it briefly. 17 DR. McKENZIE: Yes. So Dr. Hammell is the Director of 18 the OIE Collaborating Centre on Epidemiology & 19 Risk Assessment for Aquatic Animal Diseases, and 20 so he's -- and he has a tremendous amount of 21 experience in the area of ISA. We requested of 22 him, in order to save time for the Commission, as 23 we understood imports were of great interest, we 24 asked him to conduct a risk assessment of the 25 practices of importation into British Columbia 26 from 1985 until 2009. 27 Thank you, Dr. McKenzie. Could we pull up Tab 32, 28 This is the c.v. of Dr. Hammell? please. 29 DR. McKENZIE: Yes. 30 MR. BLAIR: Might that be marked for identification, as 31 well. 32 THE REGISTRAR: That will be marked as triple "B", BBB. 33 34 BBB FOR IDENTIFICATION: Curriculum vitae of 35 K. Larry Hammell, May 2011 36 37 MR. BLAIR: Thank you. 38 Dr. McKenzie, how do you reply to people whose 39 rhetoric suggests that ISA can be introduced 40 through egg importation? 41 DR. McKENZIE: I have to admit, Mr. Commissioner, that 42 the rhetoric that continues on about ISA 43 introductions and the importation is concerning to 44 me, both personally and professionally. 45 Professionally in the sense that there are so many 46 levels of experts and veterinarians involved, as I

discussed before. Professional veterinarians

working in the field, looking every day, that are fully capable and trained to identify ISA, that next here we have experts and in the field of regulatory medicine, working with DFO or the Province that also have programs that are sampling for ISA, and are not finding it.

In addition to that, we have some of the highest level of technical expertise in diagnostic capability, such as Dr. Marty and his colleagues in areas that we've worked in.

In addition to that, we have now a report from CFIA that, you know, they've looked at the data we have on ISA and they see it as a no-risk, in their words from their report, and Canada recognizes, based on international standards, that B.C. is free of ISA, based on this infrastructure of fish health expertise that is in place.

But - but - the commentary by people that a lot of it was initiated when Ms. Morton raised the concerns of the ISA reports, comments of that constantly in the media seem to dissuade or dismiss all of this expertise in these layers of audits and credentials. And professionally I find that very, very concerning that we can have this many individuals, skilled individuals involved, and we can have people interpret, non-fish health experts interpret information and run with it and create this type of -- this type of situation. So I find that hard -- it's hard to understand.

- I believe my time is all but up, and so I'll ask Mr. Lunn to put XX for identification on the screen. Dr. McKenzie, a few days ago in response to questions by my learned friend, Mr. McDade, he was asking witnesses on an earlier panel with respect to the stocking of a site known as —described as Conville Bay, and the suggestion was made to an earlier panel that Conville Bay was stocked until mid to late 2007. You've had the opportunity to check the records of that farm. What can you say about that?
- DR. McKENZIE: Well, to start off, obviously we're referring to this particular graph --
- Q We'll get to the graph in a moment.
- DR. McKENZIE: Okay.
- 45 Q Just speak to the issue of stocking.
- DR. McKENZIE: Okay. In the issue of Conville Bay,
 Conville Bay is a marine harvest site. Having

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read the transcripts, I have spoken with the veterinarian in charge of that facility, and we discussed the issue of marine anaemia. She was kind of surprised that there was an issue because marine anaemia had not been seen on the site and at any significant level. And what she wanted to — the question we posed to her was, was that accurate as far as the harvest data. I've looked at the Salmon Farmers data itself, and the harvest of Conville Bay actually started in late — it started in December of 2006, and they were almost 75 percent empty by March of 2007. And the last, I believe the last harvest was in early May.

- Q And directing your attention now to XX on the screen.
- DR. McKENZIE: Yes.
- The graph which I understand, I think, is in evidence from my friend, Mr. McDade, was prepared by Ms. Morton in, if I'm correct in that, whoever prepared it, there appear to be eight quarterly reports for 2007. Could you just look along the axis at the bottom. I think I see 2007 eight times. It was a very long year, I guess.
- DR. McKENZIE: Yes, and there's no 2006.
- MR. BLAIR: Okay, thank you. No further questions.
- MR. MARTLAND: I have counsel for the Aquaculture Coalition, also at 30 minutes, next, Mr. Commissioner.
- MR. McDADE: Thank you, Mr. Commissioner. It's Greg McDade for the Aquaculture Coalition.

CROSS-EXAMINATION BY MR. McDADE:

- Q Given the shortness of time, I am also going to just start by putting in a number of documents, I think. Can we have Aquaculture Tab 61 up on the screen. I may ask questions about these later. I just want to get the document -- make sure we get the documents in as exhibits. Mr. Swerdfager, you were part of this email string in February 2010, that's correct, isn't it?
- MR. SWERDFAGER: Yeah, I see my name on there partway down.
- MR. McDADE: All right. Could we have that marked as the next exhibit.
- THE REGISTRAR: Exhibit 1681.

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EXHIBIT 1681: Email string between Denise 1 2 Lapratte, Trevor Swerdfager and others, 3 February 22, 2010 to February 25, 2010 4 5 MR. McDADE: 6 Tab 51, please. This is also an email string in 7 relation to yourself and Mr. Thomson. Can we --8 will you confirm that and can we have that marked 9 as the next exhibit. 10 THE REGISTRAR: Exhibit 1682. 11 EXHIBIT 1682: Email string between Annie R. 12 13 Champagne, Trevor Swerdfager and others, 14 March 31, 2010 to April 30, 2010 15 16 MR. SWERDFAGER: I don't see my name on that one. 17 that what you were asking? 18 MR. McDADE: 19 Perhaps we can go to the next page. There, you 20 see your name down in the third page there. 21 MR. SWERDFAGER: Okay, yes. 22 MR. McDADE: So that's -- next can we have Tab 24 up. 23 This is a -- there's a large number of pages in 24 this particular document, received from Canada. 25 If we could scroll down to later pages, Mr. Lunn. 26 This starts with two briefing notes to the 27 Regional Director General regarding Atlantic 28 Salmon Eggs. Can we accept that's a DFO document 29 and have that admitted as the next exhibit. 30 THE REGISTRAR: Exhibit 1683. 31 32 EXHIBIT 1683: Briefing note for the Regional 33 Director General, Request to Import Atlantic 34 Salmon Eggs from Iceland October 3, 2003 35 [DFO] 36 37 MR. McDADE: Can we have Tab 25 up on the screen, please. These are a series of reports on egg 38 39 testing, I understand. Some of these may be in a 40 previous exhibit, but I'm not sure they all are.

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EXHIBIT 1684: Reports on egg testing [DFO]

I'd like to mark this group as the next exhibit,

MR. McDADE: Can we have Aqua Tab 3 up on the screen.

Exhibit 1684.

please.

THE REGISTRAR:

- Or sorry -- sorry, Mr. Lunn, could we have Tab 53 up first.

 Mr. Swerdfager, you testified before a
 - Q Mr. Swerdfager, you testified before a Parliamentary Committee, and I believe that's October of this year, October of 2010?
 - MR. SWERDFAGER: I believe it was October 26. If we scroll down further, the date's on there, but it was -- I appeared before a Parliamentary Committee twice, actually.
 - MR. MARTLAND: I'm going to raise the issue, Mr. Spiegelman's on his feet, as well. There's issues with respect to this. I don't know what proposed use was to be made of the document. I don't want to anticipate Canada's objection.
 - MR. SPIEGELMAN: I will anticipate the use, although perhaps I should -- I was waiting until my friend was attempting to put this into evidence. There's a well-established rule of evidence that testimony given to a Parliament or a Parliamentary Committee can't be entered into evidence in other proceedings, and so we will object to this going into the evidence here today.
 - MR. McDADE: Mr. Commissioner, to save time, perhaps I can suggest it be marked for identification and we argue that out later.
 - MR. MARTLAND: That's fine. I'll tell you our position's the same. I think there's a clear rule of evidence on that very question, but if we're marking for ID, it's a nonissue.
 - THE REGISTRAR: That document will be marked for identification CCC, triple "C".

CCC FOR IDENTIFICATION: Parliamentary Standing Committee on Fisheries and Oceans, Evidence, October 26, 2010

MR. McDADE:

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- Q And then Tab 3, please. I think this is your document, Dr. Sheppard. This is a spreadsheet that you keep in your health database; is that right?
- DR. SHEPPARD: This is an Excel spreadsheet which is a reflection of the data from the Fish Health Database. It needed to be created into this form so it was transferable and readable. It was extracted from the database in this format.
- Q And this is the database that you are the keeper

1 of, or were, when you were working for the province? 3 DR. SHEPPARD: I inherited this database. It began in 4 2004, and I began with the province in 2007, and 5 managed it from that point forward. 6 And this is a -- well, can I have that MR. McDADE: 7 marked as the next exhibit. 8 THE REGISTRAR: Exhibit 1683 (sic). 9 MR. McDADE: Thank you. And --10 THE REGISTRAR: Actually, you're getting ahead of me, 11 85. 12 13 EXHIBIT 1685: Excel spreadsheet of Fish 14 Health Database 15 16 MR. McDADE: 17 Mr. Lunn, can we go to supplemental document Tab 18 Now, none of you gentlemen are on that email 19 list, I don't think, but I'm going to -- I'd like 20 to ask Dr. Marty about this. It's an email from 21 -- between Dr. Garver and Dr. Saksida. Unless 22 there's an objection, I'd like to enter that as 23 the next exhibit. 24 THE REGISTRAR: Exhibit 1686. 25 EXHIBIT 1686: Email string between Kyle 26 27 Garver, Sonja Saksida and others from January 28 27, 2009 to January 28, 2009 29 30 MR. McDADE: 31 Now, gentlemen, let me turn to my questions. 32 First of all, Dr. Marty, you're employed full-time 33 as an employee of the Province? 34 DR. MARTY: Yes. 35 And it's your program that in part is under 36 examination here. 37 DR. MARTY: Yes. 38 And, Dr. Sheppard, you and Mr. Swerdfager are 39 full-time employees of the Government of Canada? 40 DR. SHEPPARD: That's correct. 41 And you were -- when you were with the Province, 42 it was your program that has been extensively 43 examined here that you're defending? 44 DR. SHEPPARD: When I -- during my employment with the 45 Province of British Columbia, I managed the Fish Health Program, which is part of the assessment of 46

animals within the Animal Health Branch.

- 1 Q And, Dr. McKenzie, you're a full-time employee of one of the fish farm companies?
 - DR. McKENZIE: That's correct.

- Q And so I take it all you gentlemen are supporters of the status quo. Let me ask that question differently. Is there anyone here -- there's no one here who's an independent expert from the government and the companies as to the structure here.
- DR. MARTY: Maybe you should define "independent"?
 MR. McDADE: I just want to make a statement, Mr.

 Commissioner, that the choice of experts for this important panel on disease is missing any expert who can comment in opposition to the current structure. But we'll work with what we've got, even if it's working with one hand behind our
- MR. MARTLAND: I'm going to just offer in response that our hearing plan received Mr. McDade's endorsement, so I'll take that point, but I think it should be understood in that light.
- MR. McDADE: Well, the experts that we asked to call weren't being called. You're not suggesting that we haven't asked for other experts to be called.
- MR. MARTLAND: No, certainly I haven't suggested that.

 But the final hearing plan is one that is received to differing degrees, either supports or at least not objections in the way of applications, Mr. Commissioner.
- MR. McDADE: All right, I'm content with that, Mr. Commissioner.
- Q Now, Dr. Marty, let me begin with you. You were in hearings for the last four or five days when we were examining disease, and particularly when we were examining the Fish Health Database?
- DR. MARTY: Yes.

back.

- Q And so let's see if I can get agreement on a couple of points, which I think are non-controversial. The process you go through in terms of histopathology and diagnosis, you heard our questions of Dr. Korman that some 60 percent of the time the diagnosis was left open.
- DR. MARTY: Yes.
 - Q And that's because you could neither say there were no significant findings, nor could you actually identify a particular disease?
- DR. MARTY: Actually, the open diagnosis would have

been assigned by Dr. Sheppard or Dr. Keith, so that question would need to be given to them.

- All right. Dr. Sheppard, you agree that the open diagnosis is roughly 6590 percent of the time?
- DR. SHEPPARD: I can't recall the exact figure but there were a large number of open diagnoses made at a farm level.
- And I want to get into that, this question of a farm-level diagnoses. That's as I understood it, and as I put to Dr. Korman, there are numerous occasions that we saw in the database where five or six fish might have been examined and where one or two of those fish might have been -- had an identification of disease, and in some cases two different diseases, which led to an open diagnosis; is that right?
- DR. SHEPPARD: That can occur quite regularly, yes.

 Q So these 60 percent of open diagnoses do not mean there's no disease on the farm. As I understand that they mean there's no, in your opinion, disease at the farm level.
- DR. SHEPPARD: Yes. May I refer you to the -- I think what you're speaking of is largely defined in the B.C. exhibit that Ms. Callan brought up, which is the supplemental version or component of the 2009 annual audit. Within that supplemental document is a list of case definitions, where you'll find open diagnosis, which explains how and why a veterinarian would come to that conclusion at the population level.

So in answer to your question, Mr. McDade, if we take as an arbitrary figure, there are 800,000 fish on the farm and we collect five silver carcasses that day, I would instantly look at, well, what's the mortality rate on the farm that particular day. Those five fish that we collected and two, as you said, may have been positive for one disease, is such a minor percentage of finding, compared to eight million fish that didn't die that day, or, sorry, 800,000 fish that didn't die that day, that, yes, we would consider that that lab finding is a lab finding in an individual, but is very little relevance to the population as a whole.

Q So when you're giving a diagnosis of an open diagnosis, you're not saying there's no disease on that farm, you're just saying there's no

consistent disease across the farm; is that fair?
DR. SHEPPARD: That's correct. Within the open
diagnosis there's no significant findings, or no
findings in the laboratory at all. The open
diagnosis would suggest that we're -- the fish
obviously had been diseased possibly by trauma or
something else, not likely an infectious agent
that we found, or that we didn't find. So we
would call it an open diagnosis because we're
unable to conclude why those fish, the silvers
that we collected that day, may have ended up in
the dead pile.

- So an open diagnosis could result, even though there were a number of clinical signs of possible diseases identified in the histopathology?
- DR. SHEPPARD: Again we would take all bits of evidence on that particular case into consideration, and we do make that distinction between is there a presence of a pathogen here, is there an infection that's evident, what are the findings on the individual level versus what are the findings of the population level. So the indigenous pathogens that we do find just exist naturally in populations. As an analogy, if I suggested that if everyone in this room had their skin swabbed, we would find staphylococcus. Now staphylococcus in humans can be the cause of flesh eating disease, but we don't have flesh eating disease and I would be hard pressed to suggest that anyone in this room is actually sick to a staphylococcus, the presence of staphylococcus on their skin. same situation in the farms.
 - So, Dr. Marty, as I understand it, you're the sole veterinarian doing histopathology?
- DR. MARTY: Fish histopathology, yes.
- Q And you have been so since 2007?
- DR. MARTY: Since 2004, August 2004.
- Q All right. And so in that time you've not given any diagnosis of marine anaemia, because you don't believe in it.
- DR. MARTY: That doesn't quite fairly characterize the way I would say it. Marine anaemia, as I mentioned before, is a clinical diagnosis. And so it's not -- when I'm diagnosing something, it's an observational diagnosis. So I might diagnose interstitial cell hyperplasia, and then in my comment I'll mention that in chinook salmon this

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is a common finding with marine anaemia. So then either Dr. McKenzie or Dr. Sheppard can look at what they say in the fish in the field, and decide is that consistent with their findings, then they would put a clinical diagnosis.

An example again in human medicine would be multiple sclerosis. As a pathologist you would see inflammatory cells around nerves and so you diagnose an inflammatory neuritis. And I would send — the medical pathologist would send that to the practitioner, who then would take that with the other information they have and they may come up with a clinical diagnosis of multiple sclerosis. The multiple sclerosis, we don't know what the cause is. There's several different hypotheses. The same thing with marine anaemia. All right. So we're left when we're trying to figure out how much marine anaemia might or might

- figure out how much marine anaemia might or might not be there in terms of counting the symptoms.

 DR MARTY: That would be one thing that you would look
- DR. MARTY: That would be one thing that you would look at is the symptoms, or I would call them lesions.
- Okay. And, Dr. Sheppard, in your diagnosis of farm-level -- of an infection, an active infection at a population level, I think was the phrase we saw in spreadsheet 1643 and 1645, do you use a number, how many fish have to be infected before you make that diagnosis, or what percentage?
- Well, again, Mr. Commissioner, it varies DR. SHEPPARD: from case to case because the evidence collected from case to case varies. So again, the factors I would look at are how many silver fish were available. Sometimes if there are large numbers of silver fresh carcasses available, it's a clear indication that there's an active ongoing disease occurring at the time. Then I would look at the laboratory results and the information from Dr. Marty to look at what percentage of those animals actually are showing indications. And then I would look at the rest of the information to see if their veterinarian had been involved with the mortality rate, if the mortality rate in the farm had been high, whether there'd been treatments occurring. All of that would be pieced together to make me feel at the highest level of confidence how to assign that diagnosis at the population level.

Does that answer your question, Mr. McDade?

Q So it's a subjective consideration.

DR. SHEPPARD: We try to -- being cognizant that we're looking for all sorts of things, everything from

- looking for all sorts of things, everything from indigenous natural infections through to disease that's not infectious, through to exotic agents, we try to apply as objective oversight as possible to come to that conclusion based on again our level of confidence with the information presented for us.
 - All right. But in point of fact, though, with that test in mind, as we heard from Dr. Korman, there is about 30 high-risk infections a year in fish farms.
- DR. SHEPPARD: I don't think I can agree with your characterization of the question. I'm not even sure I quite understand it. Would you please define what the 30 high-risk diseases are?
- Q Well, I'm sorry, let me restate it the way Dr. Korman, I think, stated it, which is there are 30 fish health events associated with the high risk diseases that were identified by Dr. Kent, per year.
- DR. SHEPPARD: I don't disagree that that may be what Dr. Korman's testimony was. And it's based on Dr. Kent's opinion, as to what is a high risk disease.
- Well, let me ask you then, quite aside from Dr. Kent. I've looked through your diagnoses and there's a fair number per year of the diagnosis of an active infection at the population level. Would you care to guess how many?
- DR. SHEPPARD: No, I would care not to guess.
- Q All right. Well, is it less than 30, or somewhere in that vicinity?
- DR. SHEPPARD: I think I'm lost in your question, Mr. McDade. One more time please.
- Well, let me try this a different way. Infections at the farm level, that is, active disease infections at the farm level happen every year on the 100 or 120 fish farms that are operating in B.C., correct?
- DR. SHEPPARD: Yes.
- Q And they happen despite the best efforts by fish farms to avoid that happening.
- DR. SHEPPARD: If that's a question, we have sentinel animals inside the cages that tend to reflect what is -- what they are exposed to within the ecosystem, and by virtue of that combination of

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factors, the sentinel Atlantic salmon will express infections and disease, as would any other population of animals that exists in the environment.

Well, is it fair to say the Fish Health Management
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- Q Well, is it fair to say the Fish Health Management Plans dictate a bunch of strict rules for the farmers to try and avoid infection, but following those rules is no guarantee that infection doesn't occur. It reduces it but it doesn't prevent it.
- DR. SHEPPARD: Yes, the goal is -- the risk can never be zero. There's always a risk, and then so the Fish Health Management Plan is designed to minimize those risks as best we can as managers of those animals in an open environment.
- No, I'm actually not talking about risk here. I'm talking about results. If one looks back over the last year or five years or ten years, despite following all the procedures in the Fish Health Management Plans, fish farms do get disease.
- DR. SHEPPARD: That's correct, and the -- and the prevalence of those diseases has been declining precipitously since the beginning of fish farming in British Columbia.
- Q All right. And in the last 20 years we've had major epidemics of IHN three times.
- DR. SHEPPARD: Correct.
- Q And we've had a major epidemic of plasmacytoid leukemia in the early '90s.
- DR. SHEPPARD: I would disagree with that statement.
- Q You don't think we did?
- 31 DR. SHEPPARD: No.

- Q What do you think those fish died of?
- DR. SHEPPARD: That wasn't the question. Your characterization of the question was a "major epidemic". It was a finding of a clinical syndrome that is quite natural in Pacific salmon of British Columbia, and it was it became a point of interest for some researchers and it was monitored very closely. And since then we see next to no signs of plasmacytoid leukemia in chinook or coho salmon.
- Q Well, you're not diagnosing it, but -- well, let's come to this. I understood that what Dr. Kent and Dr. Stephen were working with was a disease that they said killed 50 to 80 percent of the fish at some farms; isn't that right?
- DR. SHEPPARD: I don't recall the cumulative loss

specifically to marine anaemia. As I said this -or, I'm sorry, that the plasmacytoid leukemia,
because in my recollection back in the day when I
was examining those very same animals, the
presence of plasmacytoid leukemia was often
concomitant with bacterial kidney disease, and
bacterial infections that which -- which are very
overlapping symptoms. So, no, marine anaemia, as
you say, was not -- or plasmacytoid leukemia was
not the cause, the sole cause of mortality.

- Q Well, have you read Dr. Kent's papers?
- 12 DR. SHEPPARD: Yes.

- 13 Q Do you disagree with them?
- DR. SHEPPARD: Yes.
 - Q Oh, I see. Have you published -- have you seen any peer-reviewed literature that contradicts them?
 - DR. SHEPPARD: Yes, Dr. Stephen's thesis.
 - Q All right. We have Dr. Stephen's thesis. Dr. Marty, what do you think those 50 to 80 percent of the fish died of?
 - DR. MARTY: I haven't examined those, so I can't comment.
 - Q Well, Dr. Marty, you say that, as I understood it, that marine anaemia is often associated with BKD.
 - DR. MARTY: No, I said that interstitial cell hyperplasia, the ISH, is often associated with BKD.
 - And as I understood the disease that Dr. Kent was talking about, plasmacytoid leukemia, it would weaken fish but might not often be the cause, the actual cause of death. Is that fair?
 - DR. MARTY: I don't recall specifically how Dr. Kent described that.
 - Q All right. Let's leave that. Dr. McKenzie, do you agree that despite the best efforts you might make under a Fish Health Management Plan, some of your facilities are inevitably going to get some disease?
 - DR. McKENZIE: As Dr. Sheppard said, there is a natural background disease level that we will see, and just like any salmonid species in the same waterway, we would see at some level those diseases: whether it's an outbreak, no; presence of a pathogen, yes.
 - Q Some outbreaks are -- some outbreaks have occurred and will continue to occur, won't they.

- DR. McKENZIE: I would hope they would not.
 - O NO.

- DR. McKENZIE: But they have.
- Q They have. And I don't know who the right person to ask this question of, but I'll try you, Dr. McKenzie, and maybe you, Dr. Marty. Where those disease outbreaks have occurred, has there been a -- is that a contravention of the Fish Health Management Plan?
- DR. McKENZIE: The Fish Health Management Plan doesn't specify you can or cannot have a disease finding. It's a process, it's a way of managing to mitigate disease. So it would be hard to be in contravention of that.
- DR. SHEPPARD: If I may comment, Mr. McDade, to help you, is that within the Fish Health Management Plan itself there is a section that is outlined and headed as an outbreak -- management outbreak control procedures. In light of the fact that, yes, the natural virus IHN does appear occasionally, and these indigenous pathogens can sometimes under certain conditions be defined as an outbreak. Now, the definition of an outbreak varies from individual to individual.
- Q Well, right. But if you have an outbreak of IHN, it's possible to have an outbreak of IHN without being in breach of the Fish Health Management Plan at all, right?
- DR. McKENZIE: I guess I don't understand the question. The Fish Health Management Plan is not a law or something that -- again, it's a description of how you do a process.
- O It's a --
- DR. McKENZIE: So I don't understand how you could breach something that doesn't give you boundaries that you can or cannot do.
- Q Well, I think that's what I'm getting at. The Fish Health Management Plans don't prohibit getting disease. They simply set out a process to try and do some sensible things to avoid it.
- DR. McKENZIE: But there's nothing that could prohibit disease.
- Q No.
- DR. McKENZIE: There's no piece of paper that could do that. So what the Fish Health Management Plans do is they take all the effort possible to mitigate risk.

- Q All right. And once -- once you get a disease, if you get an outbreak of a virus, the Fish Health Management Plans, I'm going to suggest to you, set a bunch of rules to avoid transmitting it to other fish farms.
 - DR. McKENZIE: Yes, the concept of biosecurity is a paramount piece in fish health management in all aspects, whether it be in hatcheries or in fish farms.
 - Q And it sets out rules in extreme outbreaks for quarantine, right?
 - DR. McKENZIE: Again, these are mitigative steps that you would take in any animal health or human health.
 - Q Yes, but let's understand what quarantine is. Quarantine is quarantine from other fish farms, isn't it. You can't quarantine the wild salmon that are swimming past the pen.
 - DR. McKENZIE: Again, you control the risk that you can to mitigate potential extension of that disease.
 - Q Right. But when the disease outbreak occurs, there's nothing you can do to keep it from -- to keep the pathogens from going out and going to the wild salmon.
 - DR. McKENZIE: Well, I disagree. The approach that we've taken in the industry in the standards that we have in place now, our outbreak management plans are how do we remove those fish in the quickest possible manner in order to mitigate any potential release.
 - Are you telling me that the Health Management Plans that have been filed in evidence require you to take your fish out the day you find a disease?
 - DR. McKENZIE: No, but there is -- there is agreement that there are viral outbreak management agreements within the industry that we have agreed that they will be removed on that period of time. And in the past, when there were disease outbreaks, the government at the time asked for them to bee removed.
 - DR. SHEPPARD: And if I may clarify, Mr. McDade, or I'm sorry, Mr. Commissioner, the example you're using is IHN, which is a reportable disease under the jurisdiction of the Canadian Food Inspection Agency, which when it occurs, there's notification immediately and they will dictate, if they can, to remove that population of fish if it's an index

93 PANEL NO. 59 Cross-exam by Mr. McDade (AQUA)

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- DR. SHEPPARD: Or they may not. They have not made that decision yet, as far as I know.
- Let me ask you, Dr. Sheppard, when you get a diagnosis of active at the population level, what do you do about it?
- DR. SHEPPARD: Again, Mr. McDade, would you use a specific example, because it depends on the -- the infectious agent.
- Well, what if it's BKD, what would you do?
- DR. SHEPPARD: If it's BKD I will note it and record it and report it.
- And so you have no obligation to actually regulate that, or go in and take the fish out?
- DR. SHEPPARD: No, there's no regulation over how much or how little BKD you can have in a population. If it's a new -- if I feel it's a new finding, and this has happened in the past, and this might be a criticism in one of the exhibits that we -- has already been presented in terms of that third party assessment by Dr. Parmley.

Yes.

- DR. SHEPPARD: It would be that the communication part has not occurred, when in fact I would contest that statement, because if we make a finding, whether it be at the histopathological cellular level, or whether it's at the farm level when we're observing the animals, there is and has been an immediate communication with the attending veterinarian to assure us and assure them that they have been monitoring this, or is it in fact that we have found the first case. More often than not, the attending veterinarian is well aware of what's going on and is well into the management of the situation.
- Let me ask you this. In the Fish Health Management Plans, either in the provincial one that's been ongoing for a number of years, or in the proposed federal one, are there any special rules where the farm with the disease is in the migratory path of the wild salmon?
- DR. SHEPPARD: I'm sorry, would you repeat the question?
- Are there any special rules for farms within the migratory path of the wild salmon.
 - DR. SHEPPARD: Not in so many words.

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- No. So no particular extra reason to take action. DR. SHEPPARD: AS I said, there's an outbreak management protocol within the Health Management 4 Plans, and so the -- which would include everything from increasing reporting to increasing the biosecurity measures to ultimately a functional quarantine.
 - And none of that will help the wild salmon, will it, not one of those things.
 - DR. SHEPPARD: I think those measures, Mr. McDade, are in place to minimize the risks of that situation and minimize the risks not only to the fish within the cages, but also to the ecosystem outside of those cages.
 - And just one final question to Dr. McKenzie. Dr. McKenzie, you told us what great care is taken to keep ISA away from the eggs. Your company is Cermaq, right?
 - DR. McKENZIE: I work for Mainstream Canada.
 - Whose parent company is Cermaq.
 - DR. McKENZIE: That is correct.
 - Who is the very company that allowed ISA to get into the eggs in Chile, right?
 - DR. McKENZIE: That's not correct. I would not agree with that.
 - The Chilean outbreak of ISA came from Norway?
 - DR. McKENZIE: There are research papers that have indicated that, yes.
 - And there's a Cermaq paper that's indicated that.
 - DR. McKENZIE: There is a Ph.D. student, or a Master's at the time, who has wrote a paper, who does work for Cermaq, but that is not a Cermaq paper.
 - Can I just -- I'll enter that as an exhibit and then I'll sit down. And that's, Mr. Lunn, I think that's Tab 16 of the Project 5 list.

THE REGISTRAR: Exhibit 1687.

EXHIBIT 1687: Vike, Preventative fish health work, Cermaq, April 27, 2011

MR. McDADE:

- Perhaps over the break we can pull that -- that's the paper you're referring to, Dr. McKenzie?
- DR. McKENZIE: Yes.
- Thank you. Thank you, gentlemen. MR. McDADE:
- 46 MR. MARTLAND: Thank you. Mr. Commissioner, the next 47 counsel is counsel for the Conservation Coalition

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PANEL NO. 59
Cross-exam by Mr. Leadem (CONSERV)

with a 20-minute allocation. We're sort of down to the wire on the day. I'm in your hands, though, as to whether Mr. Leadem starts now or whether we take a short break and... THE COMMISSIONER: We'll start. M. MARTLAND: Thank you. Mr. Leadem. MR. LEADEM: For the record, Leadem, initial T., appearing as counsel for the Conservation Coalition. You may know some of my clients as CAAR and Watershed Watch and these are individuals or groups I think that you've dealt with in the past.

CROSS-EXAMINATION BY MR. LEADEM:

- Q I want to begin with Commission document number 11, if I could. Tab 11 from Commission -- there we go. This is a Draft Fish Pathogen and Pest Treatment Regulation. I'm going to ask you, Mr. Swerdfager, if you recognize this particular draft.
- MR. SWERDFAGER: It's actually not a draft regulation. It's a draft of a -- if you scroll down just a little bit, we've got the similar heading on quite a number of these things, but I think it's a beginning of some of our preparatory work for if we were to introduce or develop a regulation. We do not at this point have a draft regulation.
- Q Right. And that was going to be my second point. This proposed regulation, or this area would cover the application of SLICE and agents such as that in an aquaculture situation, would it not?
- MR. SWERDFAGER: No, it would not. Essentially this regulation, which does not exist in draft in any way, shape or form, is something that we've given thought to for use mostly for the application in Eastern Canada of pesticides, is primarily what its use would be for if it were to be developed. And secondarily in several of the lakes in Ontario, and parts of Quebec, for disease control purposes fish are destroyed by means other than fishing, which today is a potential contravention of s. 32 of the *Fisheries Act*. And so if this regulation were to be developed, it would allow for the destruction of fish by means other than fishing.
- Q I'm a bit confused, because when I look down at

the description and the issues under the first page there under "B", if you can just highlight that, please, Mr. Lunn. It says:

Chemical treatments for fish pests and pathogens in farmed or wild fish.

And then a bullet, and it says:

• For [example] drugs regulated under the **F&DA** for use in fish pathogen and pest treatment including medicated feed such as the use of SLICE® to combat sea lice (s. 36)

MR. SWERDFAGER: Mm-hmm.

- Q So that would be not a topical application, but it would be an adjustive application; is that what you're saying?
- MR. SWERDFAGER: Yeah, and part of the reason that it's perhaps somewhat unfortunate that this is the focus of discussion. This, again I emphasize, that the regulation doesn't exist even in here's the proposed title context. But this discussion document, which was developed quite some time ago, at one point we were thinking it would capture the use of SLICE. We no longer do.
- So am I correct, then, in saying we have s. 36 of the **Fisheries Act**, which prohibits the deposition of a deleterious substance. Would SLICE be covered within the confines of that provision?
- MR. SWERDFAGER: We think not, that we have never treated the use of SLICE or other in-feed treatments I shouldn't focus necessarily on SLICE, there are other in-feed treatments, as well as a s. 36 deleterious substance.
- MR. LEADEM: All right. Could this be marked as the next exhibit please.

THE REGISTRAR: Exhibit 1688.

EXHIBIT 1688: Fisheries and Oceans Canada, Proposed Fish Pathogen and Pest Treatment Regulations DRAFT

MR. LEADEM:

Q Now, I want to turn to you, Dr. McKenzie, and I want to look at and examine with you some spreadsheets which I think are B.C. Salmon Farmer

spreadsheets. for sea lice. And if I could have, 1 I think it's Tab 75 of the Conservation Coalition. 3 And if you can use the tab for "Total Lice 2007". I don't know whether you would be familiar with 5 this or not, Dr. McKenzie, and if you're not, I 6 can ask perhaps Dr. Marty or some other person on 7 the panel. 8 DR. McKENZIE: I'm familiar with the table. 9 Thank you. If I could ask, Mr. Lunn, to pull up 10 line 59, scroll down to line 59. And what I'm 11 interested in examining with you is "K", which I 12 understand is the "Motile Leps" column. DR. McKENZIE: Okay. 13 14 Are you still with me? 15 DR. McKENZIE: Yes. And then if we look at the number of fish that are 16 17 sampled, that would be column "I", right? 18 that's usually 20, I believe. 19 DR. McKENZIE: Yes. 20 So it's usually 20 fish and then out of those 20 21 fish there's then a total of motile Leps that are 22 counted; is that -- do I have that right? 23 how it works? 24 DR. McKENZIE: Yes. We classify them based on 20 fish 25 out of a single pen. 26 Right. 27 DR. McKENZIE: And these would be the total number of 28 lice. 29 All right. So then if I do a simple arithmetical 30 calculation, 20 fish which have 66 motile Leps on 31 them, I get 3.3. 32 DR. McKENZIE: Yes. 33 Right? And then if I look at treatment column "N" 34 and "O", I see that there's no treatment for that.

That's what that reflects, does it not? DR. McKENZIE: That's what it says.

- Okay. And so my understanding of the -- I don't know whether it's a protocol or when you apply SLICE, but my understanding is, is that it's done for the period of time, roughly March to the -- beginning of March to the end of June when the outmigration of smolts is occurring. And that if the average number of motile Leps hits 3 or higher, then usually SLICE is applied; is that correct?
- 45 correct?
 46 DR. McKENZIE: That's usually, yes.
 - Q And it was not done in this case.

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DR. McKENZIE: Looking at the numbers that proceed in the following months, I would say there was a 3 SLICE treatment. I would be surprised, but it is 4 certainly not recorded here. 5 Okay. 6 DR. McKENZIE: Because we have our -- the responses we 7 can have to elevated numbers trigger a treatment, 8 or harvest, or increased sampling, but you do see 9 the motile numbers over the proceedings months --10 proceeding two months drop right down to 1, and 11 that's not a natural occurrence. 12 And I'm further confused a little bit about how 13 SLICE may be applied or not applied in farms. 14 Because if I use that same table, and I apologize, 15 Mr. Lunn, but if you can go down to line 253 and 16 look across, it looks as though SLICE is being 17 applied in this situation, does it not? 18 DR. McKENZIE: Yes. 19 And it looks as though 20 fish were sampled, the 20 "Motile Leps" column "K" is 35, and my rough 21 arithmetical calculation is that that's 1.7, in 22 other words... 23 DR. McKENZIE: Yes, lower than 3. 24 Lower than 3, but --25 DR. McKENZIE: Yes. 26 -- you still see an application of SLICE. 27 DR. McKENZIE: Yes.

All right.

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- DR. McKENZIE: And the rationale behind that, as I -would be that these fish, as you can see, they are no longer sampled after July, so they most likely were going to be harvested. So in order to meet withdrawal periods associated with treatments, and in order to take the precautionary approach that those numbers would hit 3 in April or May, when you would not be able to do a treatment, a treatment is done earlier as a trigger in order to ensure that we don't hit those levels.
- MR. LEADEM: Okay. Could we have this marked. before we do so and give it a number, Conservation documents from Tab 71 through 78, Mr. Commissioner, are all B.C. Salmon Farmers Lice documents, and I would propose that we simply mark them in sequence. And in this case we've got it right chronologically, so we go from the latest ones to the -- or I should say the earliest ones to the latest ones. So if I could suggest, Mr.

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Giles, that Tab 81 be marked as the next exhibit
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            in these proceedings.
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       THE REGISTRAR: That will be 1689.
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                 EXHIBIT 1689: Excel spreadsheet re Lice,
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                 2003, BCSFA
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       MR. LEADEM: And then 72 would be 1681.
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       THE REGISTRAR: Sorry, which tab?
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       MR. LEADEM:
                   Tab 72 of the --
       MR. MARTLAND: My note was that Tab 71 would be Exhibit
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            1689.
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       MR. LEADEM:
                   Oh, I'm sorry.
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       MR. MARTLAND: Tab 72 would be 1690, and so forth.
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                    That's right.
       MR. LEADEM:
       THE REGISTRAR: Yes, 1690, Tab 72.
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                 EXHIBIT 1690: Excel spreadsheet re Lice,
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                 2004, BCSFA
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       MR. LEADEM: And Tab 73 would be 1691, all the way
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            through.
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                 EXHIBIT 1691: Excel spreadsheet re Lice,
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                 2005, BCSFA
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       THE REGISTRAR: Tab 74, 1692.
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                 EXHIBIT 1692: Excel spreadsheet re Lice,
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                 2006, BCSFA
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       THE REGISTRAR: Tab 75, 1693.
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                 EXHIBIT 1693: Excel spreadsheet re Lice,
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                 2007, BCSFA
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       THE REGISTRAR: Tab 76, 1694.
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                 EXHIBIT 1694: Excel spreadsheet re Lice,
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                 2008, BCSFA
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       THE REGISTRAR: Tab 77, 1695.
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                 EXHIBIT 1695: Excel spreadsheet re Lice,
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                 2009, BCSFA
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       THE REGISTRAR: Tab 78, 1696.
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EXHIBIT 1696: Excel spreadsheet re Lice, 1 2 2010, BCSFA 3 MR. LEADEM: Thank you. 5 One further question to you, Dr. McKenzie. 6 respect to the treatment for lice, when it -- when 7 the hit is above 3, my understanding is that 8 another way you can deal with that situation is by harvesting; is that correct? You can simply 9 10 remove the -- start removing fish from the pens. 11 DR. McKENZIE: That is another alternative, assuming 12 the fish are of size, and that you can actually 13 remove them in a timely manner. In the case of 14 harvesting, it's not always the best option 15 because it can take several months. 16 Now, I want to come back to you, Mr. Swerdfager, 17 and finish off some issues that I was dealing with 18 you before. So you other gentlemen can rest easy 19 for a bit, and Mr. Swerdfager and I are going to 20 have a discussion about communications again. MR. SWERDFAGER: Oh, good, the thesaurus for "promote" 21 22 again? 23 No, I haven't -- I'm not going to belabour the 24 "promote" part, Mr. Swerdfager. I pretty well 25 have your evidence on that point. With all due 26 respect, you're what my mother used to call a very 27 smooth talker. 28 But I'll go to Conservation Tab 61, if I 29 Now, my understanding of this document, 30 and you recognize this document? 31 It's the same one we had up yesterday, MR. SWERDFAGER: 32 I think, eh? 33 I don't think so. 34 MR. SWERDFAGER: Or is it a different one? 35 No, it should be a different one. The one 36 yesterday --37 MR. SWERDFAGER: Could we just maybe scroll to the 38 content a little bit. We had one that looked to me at least quite similar yesterday. 39 40 This one is entitled DFO Aquaculture 41 Communications Overview, and if I take you to the 42 "Introduction" I think I can perhaps prompt your 43 memory. 44 MR. SWERDFAGER: Yes. 45 "Introduction" says: 46

The Government of Canada, through its new

initiative Aquaculture 2012, is looking to 1 2 strengthen public confidence, increase 3 transparency --4 5 - which you talked about yesterday -6 7 -- and build strategic interjurisdictional 8 partnerships across the country... 9 10 MR. SWERDFAGER: Yes. 11 Et cetera. And then the third paragraph down: 12 13 Mike Randall Communications was hired to 14 conduct a series of interviews across the 15 country with key industry stakeholders... 16 17 Does this prompt your memory now? 18 MR. SWERDFAGER: Yes, it does, thank you. It's a 19 document that was produced by our Communications 20 Directorate, in other words, as it says there, 21 Mike Randall, who is a communications consultant 22 based in Nova Scotia, I think - it doesn't matter, 23 I suppose - was contracted, it says that he was 24 asked to talk to key industry stakeholders. In 25 fact, that's not quite correct. He did talk, as I 26 recall, to some industry people, but the majority 27 of his conversation, so to speak, was actually 28 with DFO employees. 29 Right. That's my understanding, as well. 30 MR. SWERDFAGER: Yes. 31 Could we have this marked as the next exhibit, 32 please. 33 MR. SWERDFAGER: I should add he did speak, as well, I 34 don't have -- maybe in the appendix of the report 35 itself, I know he spoke with a number of 36 environmental organizations, and I mean I can't 37 list the names, so to speak, but predominantly the 38 focus was internal to the Department. 39 MR. LEADEM: Right. 40 THE REGISTRAR: Tab 61 will be marked as 1697. 41 42 EXHIBIT 1697: DFO Aquaculture Communications 43 Overview, July 7, 2008 44 45 MR. LEADEM: 46 And I just want to take you very briefly to the

third -- or, sorry, the fifth page of that

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document, and you'll see a heading "Pacific
Region" and then underneath that in italics, "Sr.
Management". So there's no attribution to who's
actually making these statements, as I understand
it. But it's fair to say, is it not, Mr.
Swerdfager, that these statements are being made
by senior management within Pacific Region?
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- MR. SWERDFAGER: These are Mike's summary -- Mike Randall's summary of comments that he has picked up and heard. I can't remember to be honest who he interviewed in senior management, but certainly it's probably fair to say that this is his characterization of what he was told by senior managers out here.
- Q All right. And were you interviewed by Mr. Randall?
- MR. SWERDFAGER: I was, in a number of -- my role was a little bit not so much a participant. I was aware that the contract had been let to him. So to some degree I had a role at the early stage in designing some of the contract work, but I wasn't interviewed as part of it, per se, I guess, is how I would put it.
- Would you fit under the category of "National Headquarters"?
- MR. SWERDFAGER: I would, yes.

- Q All right. If we can look at page 11. I'm not sure of this acronym, MINO, M-I-N-O.
- MR. SWERDFAGER: MINO is the Minister's office.
- Q Oh, okay. That's not you, though.
- MR. SWERDFAGER: That is not me, no.
- Q What about if we flip the page, "Aquaculture Management"?
- MR. SWERDFAGER: So those would be -- I know he interviewed the directors that reported to me, and I think he also talked to -- well, we had them listed separately, regionally. I know he talked to Aquaculture Management staff, as well.
- Q I can't resist this one. You know where I'm going.
- MR. SWERDFAGER: "Marketing is not our role", is that where you're going to get to?
- Q Well, the "rock star" comment that you see in the middle of the page there.
- MR. SWERDFAGER: Well, I think that this is reflective of the discussion internally, now externally. I think that the message here certainly is that the

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Department had, I think, for a very long time, been quite passive in its communication activities. And the notion here is that I know we've focused on British Columbia only, and those are not my words, of course, but I think that the non-governmental organization community has been very, very successful in communicating its views on aquaculture and the Department had taken an extremely passive approach, and that's the result.

I just want to flip back to number 10 because there is some serious message in here that I want to get across.

MR. SWERDFAGER: Mm-hmm.

- And if we look at page 10, five bullets down. gather there were some suggestions that were coming forward as a result of this communication and as a result of all these interviews.
- MR. SWERDFAGER: Mm-hmm.
- And the one that I focus upon, because I represent these clients, are:
 - We need to engage in dialogue with the ENGOs to show we're taking steps to address concerns

How are you doing that? How are you -- how do you propose to do that?

MR. SWERDFAGER: Well, your clients may have mentioned to you that on four occasions that I can remember I proposed the establishment of a B.C. Aquaculture dialogue forum. I sought CAAR engagement quite a number of times to establish some kind of mechanism that would bring people together from all sides of the issue. I tried it two different ways. I tried to do this at the national scale, and that was a bad idea. It just became too I tried that a number of times, and cumbersome. that dog won't hunt.

So I backed up and tried to focus only on British Columbia. I spent quite a bit of time talking to CAAR with a view to trying to establish some kind of a forum, through which we could bring together people working in industry and the environmental community, First Nations and governments.

And I would say in my time with AMD, this is probably one of the more frustrating experiences

during that period, and I will wrap up, but I 1 tried very hard to get people to engage. And 3 essentially at the beginning the industry was soso on it, and then they changed their mind, and 5 then the ENGOs didn't want to, and then the 6 government, I couldn't get people around that 7 table. So we did make quite a number of steps to 8 cause a forum to come into being, and sadly, from 9 my perspective, we did not succeed. 10

- Q All right. But from the perspective of my clients, they were more than willing to engage you at that level, were they not?
- MR. SWERDFAGER: No, they weren't.

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- Q And who specifically was not willing to engage you?
- MR. SWERDFAGER: The discussion that I had was usually a mix of the members of CAAR, so the people involved on occasion would change from time to time, but for the most part I dealt with David Lane, I dealt with John Waring, Jay Ritchlin. forget to be honest who came a number of times from the Living Oceans Society, the people changed a number of times. I think Samantha works for them, if I'm not mistaken. Catherine Stewart, I think was in there a little bit, and then from time to time a few others. And essentially the proposal that I made to them a number of times oh, Craig Orr, as well, was involved a couple of times - was various iterations. At one point I suggested, as well, that we would be happy to let a small contract, to provide staff support for them to organize such a thing, and invite us to it, if you will, so that it wasn't our show, if you will, and I didn't get any uptake on any of that.

And then at various stages over the course of this dialogue, which went on for a period of time -- oh, I also had Greenpeace, Sarah King involved a little bit, which I know is -- actually I don't know if she's one of your clients or not. But so all this to say I engaged quite a number of people and from time to time their positions changed. There was willingness to do something of this nature, and then the other parties didn't. And frankly, I gave up.

Q When you say "the other parties", do you mean industry representatives?

- MR. SWERDFAGER: Well, for a little while there was a sense that if I -- if you get -- the provincial government for a while was extremely reluctant to participate in a dialogue with this because they were engaged at that point in a very active dialogue with First Nations and they didn't want to be drawn into another forum with ourselves and with industry. And then for a little while CAAR took very much the view that we'd been thinktanked and dialogued to death, we don't want to participate in this one. So they -- the five or six corners, if you will, of the playing field kept shifting on me quite a bit.
- MR. LEADEM: All right. My time is up, Mr. Commissioner.
- MR. MARTLAND: Mr. Commissioner, I wonder if I could propose a five-minute break as opposed to the longer break. I know I keep doing that, but it will allow us to stay on our schedule.
- THE COMMISSIONER: If I could just ask my hearing room colleagues in addition to counsel, Mr. Lunn and Mr. Giles and Madam Reporter, if we could sit through until 4:00 and then break at that point? If there's discomfort with that, we'll break now, but otherwise that's my suggestion.
 - It looks like everyone's in agreement with that. Thank you.
- MR. MARTLAND: Thank you, Mr. Commissioner. In that case, I have five minutes now for counsel for Areas D and B.
- MS. PACEY: Thank you, Mr. Commissioner. Thank you, panel. My name is Katrina Pacey, P-a-c-e-y, initial K., counsel for Areas D and B.

CROSS-EXAMINATION BY MS. PACEY:

- Q Dr. McKenzie, a couple of questions for you in terms of the testing of eggs. My first question is whether or not you are able to and whether or not you do test for the parvovirus?
- DR. McKENZIE: As far as I'm aware, there is no test for parvovirus so, no.
- Q And my second question is whether, in the testing of eggs, you test for marine anaemia?
- DR. McKENZIE: There is no specific test for marine anaemia. As Dr. Marty said, it's a clinical diagnosis in fish, not in eggs. It's not

expressed in eggs.

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Q And my final question is for any of the panellists

- from DFO that may be able to answer whether or not there's any auditing going on at the moment of the fish farms themselves. I can certainly answer that, and yes, DR. SHEPPARD: the Department of Fisheries and Oceans has been
- active since April 1st of this year to emulate a very similar program as to what was offered by the -- in the provincial government. But that said, we're ramping up. It's taken -- we've had some training and some resource bottlenecks, but we're -- our aim is to achieve the status quo that was set by the province by the end of this year.
- And perhaps I can just -- oh, did you have something to add?
- MR. SWERDFAGER: I was just going to make one small addition to that. The Conservation and Protection Program is now fully established in the region as There are now a total of 12 fishery well. officers whose primary focus is on aquaculture. So they are not typically captured under the terminology you used of "audit". So they are not doing audits, per se, but they are carrying out compliance functions as part of the overall program to ensure compliance with the regulations and the conditions of licence.
- So just to make sure that I'm clear of your evidence, is that just clarifying the evidence of your colleague, or is that correcting?
- MR. SWERDFAGER: It's adding --
- Adding to.
- MR. SWERDFAGER: -- to what he spoke of, yeah.
- So when you use the term "active", do you have a sense of numbers in terms of audits since the April 1st date?
- DR. SHEPPARD: And again, these audits, are you specifically referring to fish health or sea lice audits?
- To any audits relating to fish farms disease and sea lice, yes.
- DR. SHEPPARD: Well, then, I will respectfully add to Mr. Swerdfager's comments too, because there is also an environmental team that, again, audits and monitors benthic situations around the farms as well, and they began again this summer as a field season.

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But specifically to -- I can answer the fish health audits. Our goal initially was to -- again, normally, we would audit 30 farms for fish health and approximately 12 or 15 for sea lice. Our initial start-up was to monitor for 15 fish health in the first -- sorry, second quarter -- that's April 1st for three months. So there were 12 fish health audits completed and 15 sea lice audits completed, and now we're into the next quarter and our goal is to achieve 25 fish health audits.

Now, since we're past the migration season, we're going to probably audit somewhere in the neighbourhood of five to ten sea lice assessments.

MS. PACEY: Thank you. Those are my questions.

THE COMMISSIONER: Thank you, Ms. Pacey.

MR. MARTLAND: Thank you, Mr. Commissioner. I have counsel for the First Nations Coalition, 15 minutes.

MS. GAERTNER: For the record, Brenda Gaertner and, with me, Leah Pence, for the First Nations Coalition.

CROSS-EXAMINATON BY MS. GAERTNER:

- Mr. Swerdfager, we have to pick up where we left off this morning if we may for a few minutes, and if I manage to get what I need to accomplish with you in about ten minutes, I have a couple of questions for the whole panel. So we'll do the others first if we could
- MS. GAERTNER: In response to my friend Mr. Taylor's comments that I had chosen not to put the entire record between the UBCIC and the Department of Fisheries and Oceans and, in particular, letters to the Minister Shea. I have those documents, Commissioner, and I'm going to tender them now. On March 30th, there was a letter from UBCIC to Minister Shea. I propose that that be the next exhibit.

THE REGISTRAR: Exhibit 1698.

EXHIBIT 1698: Letter from UBCIC to Minister Shea dated March 30, 2010

S. GAERTNER:

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On July 15th, there was a letter from UBCIC to 1 Minister Shea. I propose that that be Exhibit 3 1699. THE REGISTRAR: So marked. 5 6 EXHIBIT 1699: Letter from UBCIC to Minister 7 Shea dated July 15th, 2010 8 9 MR. LUNN: That's July 20th, I'm sorry. 10 MS. GAERTNER: July 15th, 2010 is the next -- oh, July 20th, sorry. My error. And then there's a letter 11 12 -- oh, no, I'm sorry, we're getting mixed up. I'm 13 going to too fast. Our Tab 23 --14 MR. LUNN: Thank you. 15 MS. GAERTNER: -- there is a letter July 15th from UBCIC to Minister Shea. 16 17 MR. LUNN: Yes. 18 MS. GAERTNER: That would be 1699. And then --19 THE REGISTRAR: That's Tab 23? MS. GAERTNER: That's our Tab 23. Then July 20th, 20 2010, there's a letter from Minister Shea to UBCIC 21 22 in response to their March 30th letter. Can I 23 have that marked as 1700? 24 THE REGISTRAR: 1700. 25 26 EXHIBIT 1700: Letter from Minister Shea to UBCIC dated July 20, 2010 in response to 27 28 March 30 letter 29 30 MS. GAERTNER: On August 26th, 2010, there's a letter 31 from UBCIC to Minister Shea. Can I have that 32 marked as 1701? 33 THE REGISTRAR: So marked. 34 35 EXHIBIT 1701: Letter from UBCIC to Minister 36 Shea dated August 26, 2010 37 38 MS. GAERTNER: On October 20th, 2010, there's a letter 39 from Minister Shea to the summit which is at our 40 Tab 35. May I have that marked as 1702? 41 THE REGISTRAR: So marked. 42 43 EXHIBIT 1702: Letter from Minister Shea to 44 the summit dated October 20, 2010 45 MS. GAERTNER: 46 And on October 20th, 2010, Minister Shea also writes to the UBCIC and I'd have that marked 47

1 as 1703: THE REGISTRAR: So marked. 3 4 Exhibit 1703: Letter from Minister Shea to 5 UBCIC dated October 20, 2010 6 7 MS. GAERTNER: 8 And just at the end of that document, if I may, 9 I'll take you to -- and you're familiar with these 10 documents, are you, Mr. Swerdfager? 11 MR. SWERDFAGER: I'm pretty familiar with them, they 12 went by fairly quickly, but they spark memories, 13 yes. 14 Thank you. I understand from your answers to your Q 15 counsel this morning that it's DFO's position that 16 there's ongoing consultation with First Nations regarding these matters. And this was a letter 17 18 that was written in response partly to the short 19 time frames around the 60-day period, and of 20 course it was written after the 60-day period; is 21 that correct? 22 DR. SHEPPARD: That's correct. 23 And at the bottom of that letter, it says that you 24 intend to continue to --25 MS. GAERINER: I wonder if we could go to the next, on 26 page 3. 27 The Department's intent is to fund First Nations' 28 engagement in the development of the operation of 29 policies needed to manage the industry; is that 30 correct? That is the intention of the Department? 31 MR. SWERDFAGER: It is, and it is through the 32 aquaculture working group. I'm not up to date on 33 the current status of those activities, though. 34 And that would be better aimed at Mr. Thomson 35 tomorrow, if I may? 36 MR. SWERDFAGER: Fire away. 37 I shouldn't have used the acronym of AIM, I'm 38 sorry, I apologize for that. 39 MR. SWERDFAGER: That's okay. We're used to that in 40 41 Well, you know what, it's hard in this category,

because I have to go so quickly.

I actually would prefer a more improved dialogue

So I'm going to take you to a couple of

recommendations 'cause we just have a very short

MR. SWERDFAGER: Mm-hmm, I understand.

with you.

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period of time, and ask you what your thoughts are on these recommendations. Do you agree that there needs to be continued work in earnest to develop and implement a transparent consultative process at a Tier 1 and Tier 2 level between the Department of Fisheries and Oceans, and First Nations, and all of the substantive concerns raised by First Nations, including developing a scaled-approach to understanding what can occur at the strategic level and what can occur at the local level?

- MR. SWERDFAGER: Can you explain to me Tier 1 and Tier 2, please?
- Q Tier 1 is First Nations together, and Tier 2 is First Nations and the Department of Fisheries and Oceans.
- MR. SWERDFAGER: Okay. I think that in general concept and principle certainly we'd agree with the need to do that sort of work together, whether we get into the details of it here and now, probably not so much. But certainly in concept, obviously, we'd be open to that.
- Q We don't have time to go to details. I just want to give you an opportunity --
- MR. SWERDFAGER: Yeah.

- Q -- from a senior management position to respond to these. Do you agree that we need to ensure that both DFO and First Nations have the human and financial capacities to engage in these activities? Because it's very difficult if you get started on these and can't keep them up. It doesn't build trust; is that correct?
- MR. SWERDFAGER: I took note of both aspects of that. You noted that DFO needs the capacity in place as do First Nations. I think that we've made substantial progress in building some of the DFO programming at this point, at this stage. I'm very cautious, I guess, in expressing any view that we should provide funding to First Nations simply because that creates an expectation that in fact we have it. At this point, we don't.

Now, having said that, I take your point and that of one of your colleagues from late in the day yesterday that clearly First Nations need some capacity to be able to engage in dialogue working with us and with others. I wouldn't necessarily want it to flow from that, that DFO is making a

1 commitment to provide such funding. Can you commit that no multi-year licences will be 3 issued by Canada for any existing finfish licences along or potentially impacting the migratory route 5 of Fraser River sockeye salmon, until that 6 consultation process has been developed and 7 implemented in a meaningful way? 8 MR. SWERDFAGER: No, I'm not prepared to make that 9 commitment today. 10 And why is that? 11 MR. SWERDFAGER: I think that the idea of issuing 12 multi-year licences at some point is one we would 13 entertain. We are certainly open to that. We 14 have no plans to do that certainly for the next 15 go-round of licences, but I know that putting in 16 place the nature of the consultative process and 17 mechanism you describe can take a very, very long 18 time and often may be difficult to determine 19 exactly when it's in place effectively and so on. 20 So I wouldn't want to stack that up as a 21 precursor, if you will, to modernizing -- or 22 extending, rather, the licensing regime. 23 I want to take you to Exhibit 1652, which is that Q 24 report that Diane Urban did for First Nations 25 Fisheries Council, and I want to take you to the 26 third paragraph under heading 3.1.1 which is on 27 page 4. There she suggested an ecosystem approach 28 to the issue of siting. Third paragraph under --29 there it is. The first of -- I'm going to just 30 read from the second sentence: 31 32 First a thorough understanding of the 33 characteristics and functions within an 34 ecosystem will be necessary. 35 36 And I don't --37 38 Area specific indicators --39 40 And you'll continue on, if you can. I think 41 you'll be able to read that quicker than I read it 42 aloud. 43 MR. SWERDFAGER: Mm-hmm. 44 Can you comment on this approach and whether this 45 would be a useful approach to addressing the issue 46 of siting, particularly including reviewing those

that have been sited along the migratory route?

MR. SWERDFAGER: I continue to experience great difficulty with the concept of ecosystem-based approach to management, and this is not germane specifically to this. I think that the idea has tremendous theoretical allure, and I think to build an argument against it is probably difficult. I think that the idea of integrating multiple variables, multiple aspects of the ecosystem, understanding it on a broad-based multi-disciplinary scientific perspective makes an awful lot of sense.

Translating that into specific management decisions and actions is much more difficult. Typically, many of the licensing decisions, for example, or allocations, or when I used to work in the Wildlife Service harvesting allocations and so on, are binary issues. They're yes or no. It's very difficult to translate that necessarily into broad-based ecosystemic approaches.

So I apologize if this sounds smooth, but making the transition between the concept of ecosystem-based approaches into direct management action is a challenge. So I endorse the general concept, but with reservations about how to make it real.

- Yes, I actually find the frankness of that challenge helpful, because when I hear - and I heard it yesterday - this idea that we're going to move quickly to an ecosystem approach and get the IMAPs done and all of that, I don't think that's realistic. Do you agree with me on that, that it's going to take time to do this properly?
- MR. SWERDFAGER: I would back up just a little bit if I may. When I used to be the Regional Director of the Conservation Branch of Environment Canada out here, one of the things we tried to do was to provide or present, rather, an ecosystem characterization of the Georgia Basin, to understand all its various dimensions in a variety of scientific perspectives. That became a major undertaking, one that took an awful lot of time. I have some experience with it.

So when I think about that experience and translate that into the aquaculture world, I believe that the IMAP process can work if it remains as focused as possible on aquaculture. If, by contrast, by "ecosystem-based approach" we

start to say, okay, where does aquaculture fit in the context, for example, of forestry development, fisheries allocations, mining activities, et cetera, et cetera, et cetera that some people may feel, as part of the ecosystem-based approach, that will not work.

I am confident that we will be able to take a systems-based approach on the aquaculture scale, though.

- A systems-based approach on the aquaculture base will require us looking at the migratory route of the Fraser River sockeye salmon, though, and that's going to be complex. Would you agree with me on that?
- MR. SWERDFAGER: Certainly it's a complex topic, no doubt about that, and I --
- Q So we need to be -- sorry.
- MR. SWERDFAGER: -- agree with your fundamental point that -- sorry -- that we're not just going to snap our fingers and have it done.

But, as Mr. Thomson suggested yesterday, often the most difficult step in these processes is the first one, and we are going to take that in October. We're going to launch -- or right in around there anyway -- launch the development of those processes, and we all will learn as we go.

- Q And you'll work closely with First Nations in that work?
- MR. SWERDFAGER: Very much so, and not just with First Nations. I know that wasn't your question, but certainly with all people with interest in the issues before us.
- All right. I just want to take my last five minutes and ask a broader question of all of the panel.

Mr. Blair asked you whether the risk of disease is manageable, and whenever I hear those words, "risk of disease", I get a little bit triggered from my first -- from my client's prospective. You'll agree with me that risk analysis and a risk assessment requires those who wear the outcome of that risk to be part of the decision-making process and the risk assessment, Mr. Swerdfager?

MR. SWERDFAGER: I would agree in many respects, and if I may just characterize, before we pass over to the veterinarians, I think that certainly from my

perspective at least, one of the things you may 1 have noticed over the course of today's 3 discussion, the "Three Amigos" here on my left are extremely well prepared, they're very thorough, they're very cautious, they're very deliberate, 5 6 they're detail freaks, they're not prone to 7 exaggerated statements and so on. They're not 8 performing today. This is what they're like in 9 real life so to speak. 10

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real life so to speak. I will finish.

This are exemplary -- or examples, rather -sorry, you can't refer to a person as an example,
but this exemplifies the nature of the advice
that's given to the management program overall,
and so from my perspective at least, the framework
we had in place that relies on the advice of
gentlemen like these, is a very solid one.

Does it reduce the risk to zero? No. But it substantially reduces it.

- Maybe I'll just add to that before I go to the rest of them. If those that are wearing the risk -- and in this case the First Nations who rely on the Fraser River sockeye, and if there is an impact and they lose their fish, if they are not part of the package, if they are not the scientists, then you appreciate that it's difficult for them to accept the outcomes, and to accept that somebody else is assessing the risk. Do you agree with me on that?
- MR. SWERDFAGER: I agree that whoever wears the risk and it's not just First Nations, and I don't think that's necessarily what you were saying but certainly anyone who bears the risk to some degree needs to be part of the discussion and dialogue on how we proceed with it.
- Q And that's how we're going to build trust.
- MR. SWERDFAGER: I believe that's correct.
- Q And that's how we're going to build better understandings of the true impacts, and better understandings of how those impacts should be balance; is that correct?
- MR. SWERDFAGER: I think that's a fair statement.
- Q Does anybody in this panel disagree with that? Could you all say "No"?
- DR. McKENZIE: No.
- DR. SHEPPARD: No, I don't disagree.
- DR. MARTY: I think I'll just say I'm not an expert on risk assessment, so I didn't follow the entire

1 conversation. I'll just -- yes. MS. GAERTNER: All right. I'd like to just finish with 3 one final question on recommendations, if I may, 4 Mr. Commissioner, and I'd like to go to Exhibit 5 1540, which is Technical Report 5D, which was 6 provided by Dr. Dill. At page 36, he's offering 7 some management options for reducing risks. 8 appreciate that he goes from management options 9 within the farms all the way to the option of closed containment, and I won't take you that far. 10 11 I'm sure that would be difficult for some of you. 12 But I want to go to recommendation 2 and 3. 13 Particularly, I'd like to hear from you, Dr 14 McKenzie, and then if we have time, Dr. Sheppard. 15 Would you agree that recommendations 2 and 3 would 16 be useful ways of managing the risks of the 17 interactions between farm fish and wild fish and 18 the transference of pathogens and disease between 19 them? 20 DR. McKENZIE: Sorry, I'm just reading it again. Yeah, please do. 21 22 DR. McKENZIE: With respect to issue 2, there's a lot of research that has been done on the health of 23 24 fish and what are optimum densities that are run 25 for fish, both for health perspective, but it is also welfare. They are schooling animals so we do 26 27 have to consider densities that way. 28 I don't believe that -- I believe the 29 operating density that currently exist fit well 30 within those research perspectives on what is 31 optimal health and welfare. So I don't believe 32 there is a great need to reduce densities. 33 Dr. Sheppard? 34 DR. SHEPPARD: Yeah, I wouldn't say I'm in agreement 35 with either of those statements in the sense that, 36 as a point in fact, the number of farm fish on the 37 coastline in the last ten years - and the density of those animals - has increased as the B.C. 38 39 salmon farming industry has grown from within. 40 Yet we see a decline in mortality rate due to 41 infectious diseases. 42 So his characterization of risk to wild fish 43 seems a bit broad.

You were saying "decline in mortality", you're

And so we don't really know about the increased

talking about the farm fish at that point in time?

DR. SHEPPARD: That's true.

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1 mortality rate in the wild stocks in that 2 circumstance?

- DR. SHEPPARD: No, I take it to be that's the question before this Commission.
- Yeah, but I was asking you whether or not if we were trying to minimize the interactions between the wild fish and the farm fish, and trying to minimize the risks associated with them, whether those two steps, 2 and 3, might be good ways of starting.
- DR. SHEPPARD: Well, again, density being one stressor of many. Fundamentally, yes, this is some fundamental principles worthwhile.
- MS. GAERTNER: Thank you. Those are my questions, Mr. Commissioner.
- MR. MARTLAND: Thank you. Mr. Kelliher for the Aboriginal Aquaculture Association has in fact contributed time to the Commission. I think it's a first that we've actually receive such a donation. We're grateful for it. I don't propose to use it.

What I'd like to do is ask counsel for the Musgamagw Tsawataineuk Tribal Council to use her five-minute allocation next, please.

MS. ROBERTSON: Thank you, Mr. Commissioner. Krista Robertson for the Musgamagw Tsawataineuk Tribal Council. I have just two brief questions.

Mr. Lunn, if you could bring up Tab 8 of Canada's list of documents, please.

CROSS-EXAMINATION BY MS. ROBERTSON:

- Q Dr. Sheppard, this is a question for you. Can you identify that document?
- DR. SHEPPARD: Yes. It is the document drafted by my predecessor with the province. It was in 2006 and it forms a guide for the salmon-farming organization to write their own health management plan specific to their business.
- Q So basically this dictates what the content of the plan would be?
- DR. SHEPPARD: Yes, as a guideline. It's not a prescriptive plan. It's an overall general guidelines.
- MS. ROBERTSON: All right. May we mark that as the next exhibit, please?
- 47 THE REGISTRAR: It's already been marked. It's 1664.

- MS. ROBERTSON: And if we could go to page 23 of that document. Now, looking at 2.8.2, please, if you could highlight that, Mr. Lunn.
 - Q So this, Dr. Sheppard, this sets out the steps required if there's an infectious disease emergency. I've looked at the list of steps. It goes over on to the next page. What I don't see there is a requirement to notify First Nations in the area if there's been a disease outbreak on the farm. Is that correct? Am I correct that that's not a requirement? It's not an element of the templates there?
 - DR. SHEPPARD: That's true. I don't see it there either, but again, it's not a prescriptive plan. The overall feeling is you communicate with your neighbours of who may be interested in this situation, so there's open communication of the situation at the farm.
 - Q Dr. -- are you doing that, Dr. McKenzie?
 - DR. McKENZIE: Yeah, I was just going to add that this is a technical document, so the technical steps we take to mitigate disease.

On top of this is how you communicate, your communications strategies, which companies have and the industry has as a whole. But communication strategies on a number of issues, including this one, are not included in this technical documents.

- So your company -- are you aware -- is your company -- do you have a procedure or a protocol that you notify the local First Nations in --
- DR. McKENZIE: We, and even the industry has agreed on a viral outbreak management plan that has a communications portion in it, and First Nations is listed on that.
- Q It's listed on that.
- DR. McKENZIE: Yes.
- So you can confirm you are doing that?
- DR. McKENZIE: We haven't had an outbreak that we needed to publicly -- since the creation of that document, there hasn't been an emergency outbreak which is what this section refers to.
- Q Dr. Sheppard, I mean, you're the regulator here. I mean, would you agree with me -- I mean, I don't think you could disagree that the wild salmon stocks are of just profound importance to the coast First Nations in terms of their sustenance

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46 47 and their culture. Do you agree with that?

DR. SHEPPARD: Yes, as they are to the rest of the Canadian public.

But they do have a special right, a constitutional

right. DR. SHEPPARD: Yeah, I agree with you, yes.

So don't you think that DFO should regulate, then, having a right to know when there's an outbreak in a farm in their territory? Should that be a requirement?

DR. SHEPPARD: The questions you're asking of me are policy decisions above my level. My job is to record, report, collect. And we certainly put that information out onto the websites posted very regularly. It's available and, as I said, somewhere else within this document is to suggest communication with the persons of interest in the area.

MS ROBERTSON: All right. I'll leave it at that. one other question, then, Mr. Lunn, Tab 11 of the Commission's documents.

Mr. Swerdfager - pardon me, I always struggle with your name - this document has already been put to the panel by Mr. Leadem, and I just want to have some clarification around your comments there.

As I understand it, then, this is a draft document wherein DFO was contemplating the development of regulations for fish pathogens and pest treatment regulations under s. 36 of the Fisheries Act; is that correct?

- MR. SWERDFAGER: It is a draft document. something that we were considering for development under s. 36 and 32 of the **Fisheries Act**. It is the template of what a regulation eventually would look like, but there is no draft regulation at all.
- And, as I understand it, s. 36 is the section of Q Fisheries Act that prohibits the deposit of deleterious substances into the ocean. And this regulation is contemplated on the basis that the use -- introduction of pesticides into the environment is a -- is in fact an introduction of such a substance and may be a violation of s. 36 of the **Act**?
- MR. SWERDFAGER: Essentially, the motivation of this initiative to begin some kind of regulatory attention to this issue stems from the fact that

under the **Pest Products Control Act**, which is administered by Health Canada, someone can see approval to use a pesticide, and this has happened in real time, so to speak, in New Brunswick, specifically with a chemical known as -- a pesticide known as AlfaMax --

Q And is this where you would bathe the fish -- MR. SWERDFAGER: Yeah, yeah, it's a topical treatment as opposed to an in-feed, hence the difference between pesticide and drug.

So this is used -- there are a number of others -- and it's used elsewhere in the world, and so on, but the Pesticide Management Regulatory Agency has granted approval, or had, rather, a few years ago, granted approval for the use of that. But it became apparent that we had a bit of a left-hand and right-hand problem in the federal government. You could get an approval to use it via Health Canada, but s. 36, as administered by Environment Canada, potentially would block that, and so we had a perverse outcome.

So the regulation here would be designed, in essence, to say we want to remove the conflict between these two pieces of legislation.

- Q So that's in process then. DFO is undecided on that. We have to --
- MR. SWERDFAGER: DFO is experiencing quite a bit of difficulty in terms of figuring out an appropriate legal structure for dealing with this issue, and we have found that as we peel away the layers of the onion, it becomes more and more complicated. Not so much from a policy perspective, but from a legal structure and drafting perspective.

 Fisheries Act occasionally, for the purposes of activity such as this one, is very difficult to
- work with.
 MS. ROBERTSON: All right, then. That's my time,
 thanks.
- MR. MARTLAND: Thank you. Mr. Commissioner, just to state it on the record, this is Exhibit 1688. Mr. Lunn had passed a note with respect to First Nations Coalition. What's now Exhibit 1703, I take it there may be a question mark over what the exhibit number affiliates with. I wonder if that's been clarified or if that's --
- MR. LUNN: It has now been clarified.
- 47 MR. MARTLAND: It has been clarified, thank you. Mr.

120 PANEL NO. 59 Cross-exam by Ms. Callan (BCPROV)

If there's

Commissioner, as Commission counsel, we don't have re-examination. Canada and the Salmon Farmers 3 don't. Ms. Callan, I believe, was seeking to ask 4 one question in re-examination. 5 MR. COMMISSIONER: I would like to adjourn. 6 just one question, I'll accept it. 7 MR. MARTLAND: Thank you, Mr. Commissioner. 8 MS. CALLAN: Tara Callan for Her Majesty the Queen in 9 Right of the Province of British Columbia. 10 11 CROSS-EXAMINATION BY MS. CALLAN, continuing: 12 13 This is a question for the veterinarians. 14 McDade had asked a number of questions about ISH 15 lesions and marine anaemia. Would you agree with the proposition that ISH lesions does not equate 16 17 with a diagnosis of marine anaemia? 18 DR. SHEPPARD: I agree. 19 MS. CALLAN: Those are my questions. 20 MR. MARTLAND: Mr. Commissioner, I believe that 21 concludes the evidence from this panel. Thank you 22 to you and to all counsel for working within these 23 constraints of today. 24 THE COMMISSIONER: Thank you very much, Mr. Martland. 25 Yes, thank you, Mr. Swerdfager and Dr. Sheppard, 26 Dr. McKenzie, Dr. Marty. Thank you for your attendance, and you, sir, for being here an extra 27 28 day. Thank you very much. 29 We'll now adjourn until 10:00 a.m. tomorrow 30 morning. Thank you. 31 32 (PROCEEDINGS ADOURNED AT 4:01 P.M. TO 33 SEPTEMBER 1, 2011 AT 10:00 A.M.) 34 35 36 37 38 39 40 41 42 43 44 45

I HEREBY CERTIFY the foregoing to be a true and accurate transcript of the evidence recorded on a sound recording apparatus, transcribed to the best of my skill and ability, and in accordance with applicable standards.

Irene Lim

I HEREBY CERTIFY the foregoing to be a true and accurate transcript of the evidence recorded on a sound recording apparatus, transcribed to the best of my skill and ability, and in accordance with applicable standards.

Karen Hefferland

I HEREBY CERTIFY the foregoing to be a true and accurate transcript of the evidence recorded on a sound recording apparatus, transcribed to the best of my skill and ability, and in accordance with applicable standards.

Pat Neumann

I HEREBY CERTIFY the foregoing to be a true and accurate transcript of the evidence recorded on a sound recording apparatus, transcribed to the best of my skill and ability, and in accordance with applicable standards.

Diane Rochfort